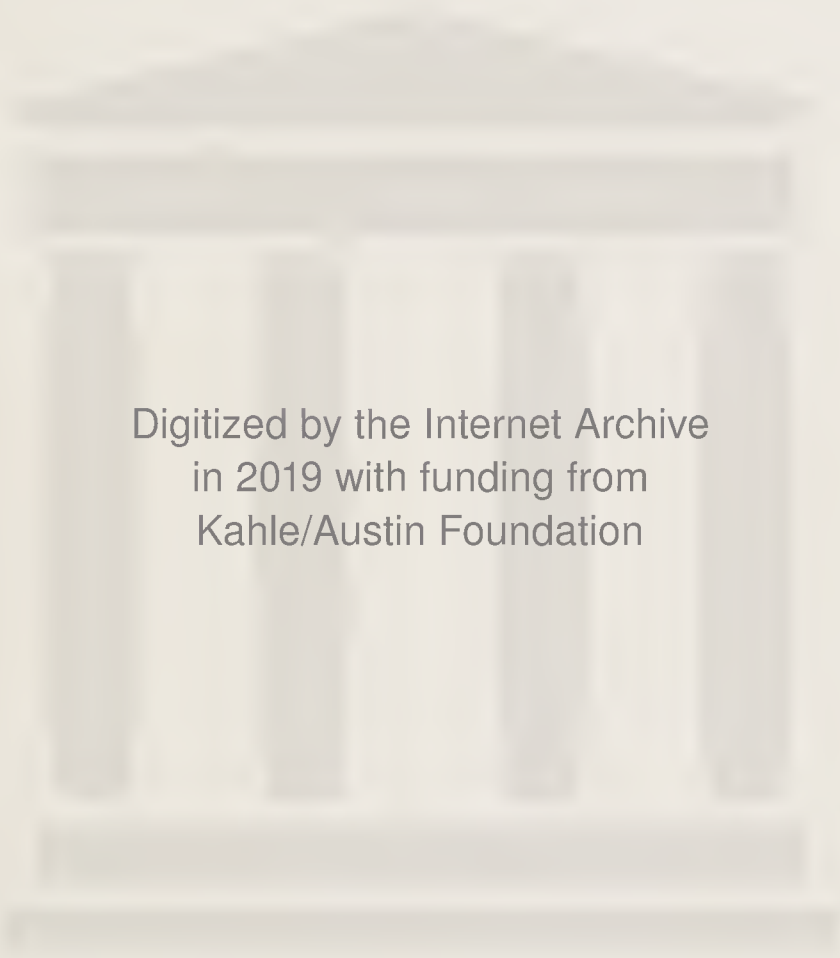
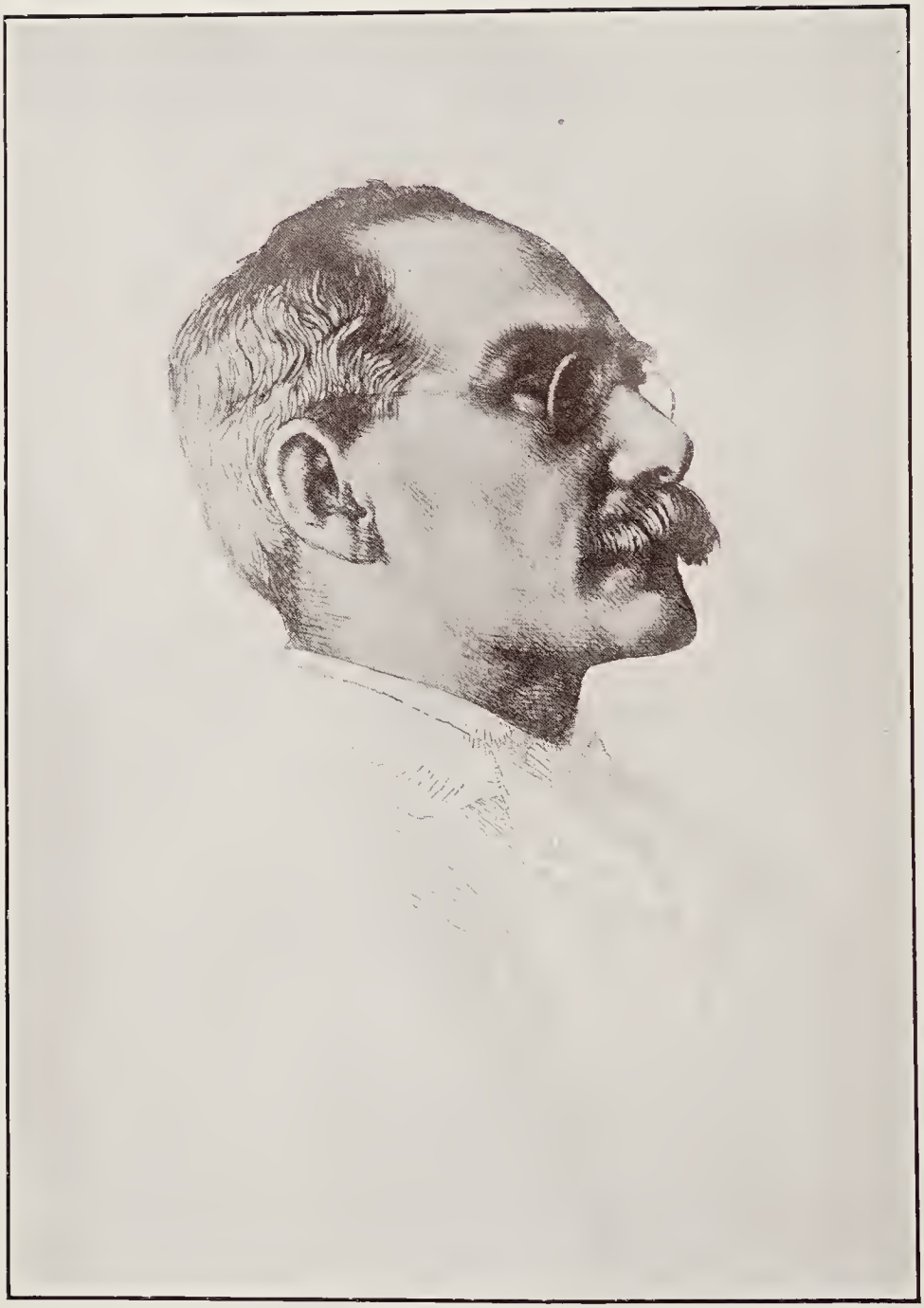


Digitized by the Internet Archive
in 2019 with funding from
Kahle/Austin Foundation

https://archive.org/details/canadianannualre1907unse



MR. RUDYARD KIPLING.

Canada's most distinguished visitor during 1907.

THE CANADIAN ANNUAL REVIEW OF PUBLIC AFFAIRS

1907

BY

J. CASTELL HOPKINS

FELLOW OF THE ROYAL STATISTICAL SOCIETY

Editor of "Canada: An Encyclopaedia of the Country," in Six Volumes; Author of "the Story of the Dominion"; "Queen Victoria: Her Life and Reign"; "The Progress of Canada," Etc., Etc.

SEVENTH YEAR OF ISSUE

ILLUSTRATED

TORONTO

THE ANNUAL REVIEW PUBLISHING COMPANY

LIMITED

F5003.C35 1907

Copyright, Canada, 1908,
by THE ANNUAL REVIEW
PUBLISHING COMPANY, LIMI-
TED.

THIS VOLUME

IS

INSCRIBED WITH DEEP REGARD AND RESPECT

TO

Professor William Clark

M.A. (OXON), LL.D., D.C.L.

A LEADER IN CANADIAN LETTERS, AN EMBODIMENT OF ENGLISH CULTURE AND SCHOLARSHIP, AN ADVOCATE OF ALL THAT IS BEST IN THE UNITED LIFE OF BRITAIN AND CANADA

BY

HIS SINCERE FRIEND

THE AUTHOR

007395

CONTENTS

I.—FINANCIAL AFFAIRS AND CONDITIONS

	PAGE
Causes of the Financial Stringency of 1907	17
Financial Conditions in Canada during the Year	20
The Stock Exchange Situation during the Year	23
Canadian Banks and the Financial Crisis	27
Bank Changes, New Branches and Appointments	34
The Canadian West and the Financial Situation	41
Canadian Bonds and Municipal Finances in 1907	45
British Investments in Canada; Canadian Investments Abroad	47
Loan Corporations and other Financial Interests	51
Dispute between the Dominion Coal and Steel Companies	55
The Increased Cost of Living in Canada	59
Life Insurance Affairs and Conditions	62
Report of the Royal Commission on Insurance	69
Fire, Accident and other Insurance of the Year	74

II.—TRANSPORTATION INTERESTS

General Railway Progress in Canada	80
Railway Problems and Controversies of the Year	84
Transportation Troubles, Car Shortages, and Railway Equipment	91
Work and Decisions of the Railway Commission	99
Proceedings and Decisions of the Ontario Railway Board	105
The Quebec Bridge and Railway Disasters of the Year	107
The Intercolonial Railway and the Dominion Government	114
Progress of the National Transcontinental Railway	117
Progress of the Grand Trunk Pacific Project	119
The Grand Trunk Railway during 1907	123
The Canadian Pacific Railway during the Year	128
Position and Progress of the Canadian Northern Railway	139
Discussion of the Hudson's Bay Railway Project	148
Discussion of Great Northern Railway Projects	152
Canadian Canals, Waterways and Harbours	153
Progress of the Georgian Bay Canal Project	160
Canadian Shipping and Steamship Lines	164
Telegraph Services and the Marconi System	168

III.—CANADIAN AGRICULTURE DURING 1907

PAGE
General Agricultural Conditions in Canada..... 172
Presidents of Canadian Agricultural Associations..... 179
Agriculture in the Three Western Provinces..... 179
The Peace River Country and Fruit-Growing in British Columbia... 185
Agricultural Resources and Production in Ontario..... 189
Agriculture in Quebec and the Maritime Provinces..... 193

IV.—MINING, FISHERIES AND FORESTS

General Mining Conditions in Canada during the Year..... 196
Mining in Ontario and at Cobalt during 1907..... 202
Mining in British Columbia during 1907..... 214
Mining and Mineral Resources in the Yukon..... 219
Resources and Conditions in Canadian Fisheries..... 221
Forest and Lumber Conditions in Canada..... 225
Canadian Pulp-Wood Interests and Policy..... 228
Forestry Conditions and Advocacy in Canada..... 234

V.—INDUSTRIAL CONDITIONS AND LABOUR AFFAIRS

Canada as an Industrial Country..... 239
Water-Power and Industrial Progress..... 243
Progress of the Greater Canadian Industries in 1907..... 246
History and Work of the Canadian Manufacturers Association..... 253
General Relations of Industry and Labour in Canada..... 258
The Lemieux Act and other Labour Legislation of the Year..... 268
Conflicts of the Year between Labour and Capital..... 276
Labour Organizations in Canada during 1907..... 282

VI.—IMMIGRATION AND COMMERCE

The Progress of Canadian Settlement..... 288
Problems of Immigration—English and Foreign..... 291
General Trade Conditions of the Year..... 297
Canadian Trade and Commercial Affairs..... 300

VII.—CANADA AND EMPIRE AFFAIRS

Imperial Events of Canadian Concern..... 303
Calling of the Colonial Conference of 1907..... 315
Proceedings and Resolutions of the Conference..... 321
Conference Functions and Sir Wilfrid Laurier's Speeches..... 330
Public Opinion and the Results of the Conference..... 334
The All-Red Line Steamship Project..... 341
Questions of Empire Defence and Preferential Tariff..... 346
Appeals to the Privy Council and the Embargo Question..... 351
Rudyard Kipling and other British Visitors to Canada..... 355
Canadian Relations with Newfoundland and the West Indies..... 364
Canadian Relations with Australasia..... 370
Some Canadian Incidents of Imperial Concern..... 374

VIII.—CANADIAN FOREIGN AFFAIRS

PAGE

The Japanese Royal Visit to Canada..... 380
The Japanese Treaty and the Canadian Problem..... 382
The Vancouver Riots and Canadian Public Opinion..... 384
The Dominion Government and the Japanese Question..... 391
American Relations—Mr. Root and Mr. Bryce in Canada..... 398
General Relations with the United States..... 402
The French Convention and Relations with France..... 407
Trade Arrangements with Mexico and other Incidents..... 411

IX.—DOMINION PUBLIC AFFAIRS

Work and Speeches of the Governor-General..... 414
The Laurier Government and Political Conditions during the Year.. 418
Government Changes, Appointments and Bye-Elections..... 427
Parliamentary Legislation and Debates of 1907..... 434
Mr. Fielding's Financial Policy and Tariff Reform..... 445
Mr. Lemieux's Postal Policy and Reforms..... 453
Mr. R. L. Borden's Policy and Tour of the Country..... 457
Political Incidents, Party Charges and Public Opinion..... 468
Inquiries into Alleged Grain, Beef and Lumber Combinations..... 475
Position and Record of the Militia in 1907..... 483
Militia Appointments of the Year..... 489

X.—PROVINCIAL PUBLIC AFFAIRS.

The Ontario Administration and Public Affairs..... 491
Proceedings of the Ontario Legislature in 1907..... 505
Liberal Leadership and Policy in Ontario..... 512
The Niagara Power Question and Government Policy..... 515
Temperance and Liquor Licenses in Ontario..... 525
Educational Policy of the Ontario Government..... 530
Government and Politics in Quebec during 1907..... 535
Proceedings of the Quebec Legislature..... 542
The Asselin Case and Charges against Messrs. Prevost and Turgeon.. 548
Mr. Bourassa Enters Quebec Provincial Politics..... 555
Government Policy and Affairs in Manitoba..... 559
Proceedings of the Manitoba Legislature in 1907..... 564
Manitoba Government Policy in the General Elections..... 572
Liberal Policy in the Manitoba Elections..... 579
Government and Legislation in Saskatchewan..... 586
Proceedings and Measures of the Saskatchewan Legislature..... 592
Government and Political Conditions in Alberta..... 597
The General Elections in British Columbia..... 604
Government and Legislation in British Columbia..... 608
Conditions and Events in Yukon Territory..... 614
Government and Legislation in Nova Scotia..... 616
Government and Public Affairs in New Brunswick..... 623
Public Affairs in Prince Edward Island..... 628

PAGE

XI.—MISCELLANEOUS PUBLIC AFFAIRS

Boards of Trade Conventions and Municipal Unions..... 632
Some Miscellaneous Incidents..... 631
Canadian Educational Statistics 637
Canadian Obituary 640

Index of Names 643
Index of Affairs 655

The C. N. R. and its Place in National Development 663
The Grand Trunk Railway 665
The Empire Review 666
Some Articles and Contributors 667
The Canadian Pacific Railway 668

ILLUSTRATIONS

PAGE

MR. RUDYARD KIPLING. Canada's most distinguished visitor during 1907 ..... *Frontispiece*

THE HON. W. S. FIELDING, K.C., D.C.L., M.P. Dominion Minister of Finance, 1896-1907 8

THE HON. R. P. ROBLIN, M.P.P. Prime Minister of Manitoba..... 16

MR. BYRON E. WALKER, D.C.L. Elected President of the Canadian Bank of Commerce 34

MR. ALEXANDER LAIRD, Appointed General Manager of the Canadian Bank of Commerce 34

ORONHYATEKHA, M.D. Supreme Chief Ranger of the Independent Order of Foresters. Died March 3rd, 1907 66

MR. ELLIOTT G. STEVENSON, Appointed Supreme Chief Ranger of the Independent Order of Foresters 66

MR. D. B. HANNA, 3rd Vice-President of the Canadian Northern Railway 96

MR. STUART STRATHY, Appointed General Manager of the Traders' Bank of Canada 96

PRINCE RUPERT, B.C., the Terminus of the Grand Trunk Pacific Railway, as it was in 1907 120

SIR WILLIAM MORTIMER CLARK, K.C., LL.D. Lieut.-Governor of Ontario. Knighted by His Majesty the King 136

SIR ROBERT G. REID, President of the Reid-Newfoundland Company. Knighted by His Majesty the King 136

THE REV. ROBERT A. FALCONER, M.A., D.D., LL.D. Appointed President of the University of Toronto 186

THE MOST REV. ARTHUR SWEATMAN, D.D., D.C.L. Elected Archbishop of Toronto and Metropolitan of the Church of England in Canada.. 186

THE HON. CHARLES J. TOWNSHEND, Appointed Chief Justice of Nova Scotia 224

THE HON. HENRI T. TASCHEREAU, Appointed Chief Justice of the Superior Court of Quebec 224

MR. HERBERT C. COX, Elected President of the Canadian Underwriters' Association 228

MR. GEORGE G. S. LINDSEY, K.C. Elected President of the Crow's Nest Pass Coal Company 228

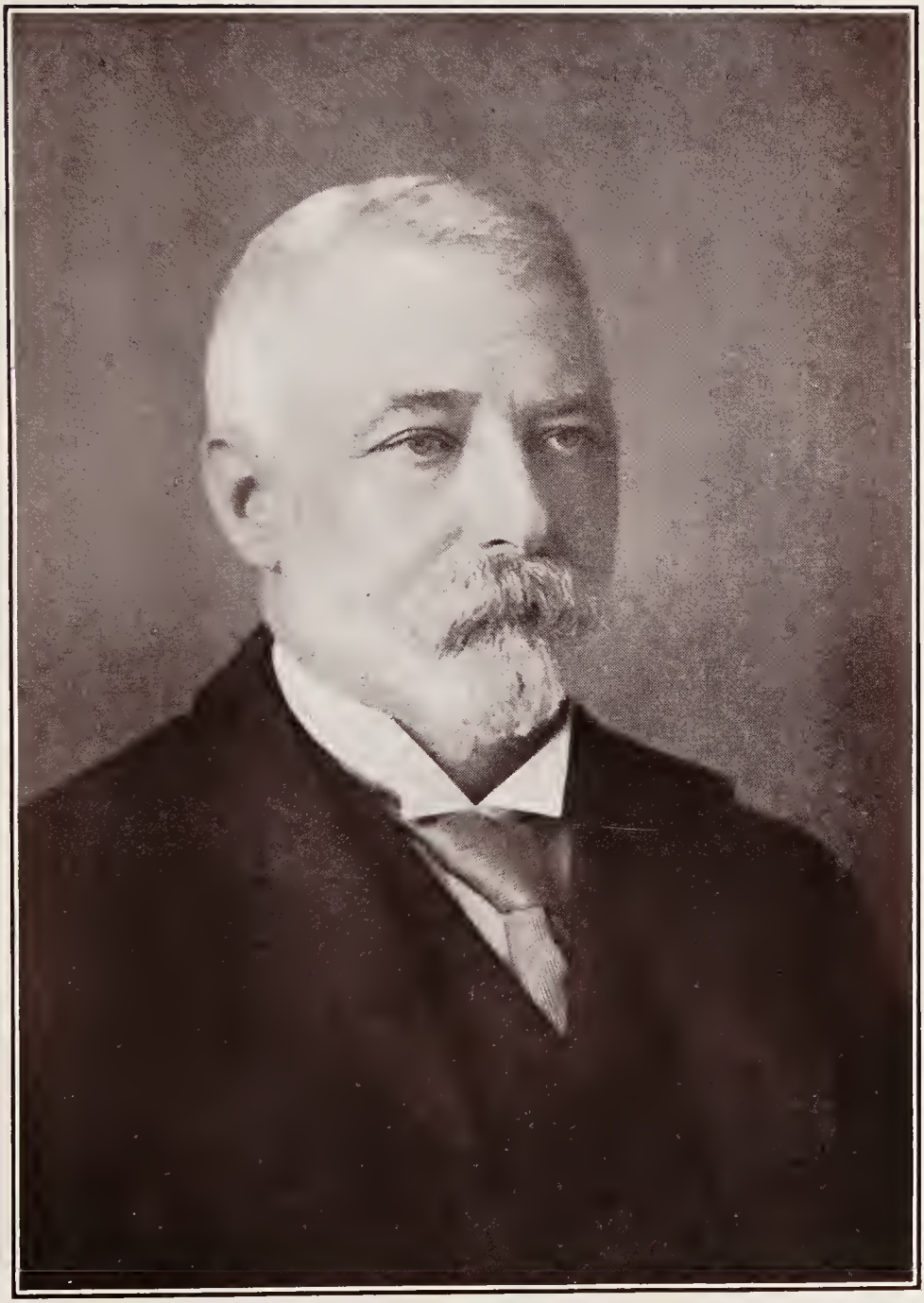
THE HON. SIR CHARLES MOSS, Chief Justice of Ontario. Knighted by the King in 1907 304

THE HON. L. A. TASCHEREAU, K.C., M.P.P. Appointed Minister of Public Works and Labour in Quebec..... 330

THE HON. CHARLES R. DEVLIN, M.P.P. Appointed Minister of Lands and Fisheries in Quebec 330

MR. A. M. BELL, Elected President of the Maritime Provinces Boards of Trade 368

MR. GEORGE O. BUCHANAN, Re-elected President of the Associated Boards of Trade of Eastern British Columbia 368



The Hon. W. S. Fielding, K.C., D.C.L., M.P.
Dominion Minister of Finance, 1896-1907.

PAGE

THE HON. THOMAS CRAWFORD, M.P.P. Elected Speaker of the Ontario Legislature 390

THE HON. CHARLES J. OSMAN, M.P.P. Elected Speaker of the Legislature of New Brunswick 390

THE HON. WILLIAM PUGSLEY, K.C., D.C.L., M.P. Prime Minister of New Brunswick. Appointed Dominion Minister of Public Works.... 432

THE HON. JACQUES BUREAU, K.C., M.P. Appointed Solicitor-General of Canada 432

DR. SAMUEL EDWARD DAWSON, C.M.G. Elected President of the Royal Society of Canada 452

MR. A. P. LOW, PH.D., F.R.S.C. Appointed Deputy Minister of Mines and Director of the Geological Survey of Canada..... 452

THE HON. J. D. ROLLAND, M.L.C. Elected President of the Canadian Manufacturers' Association 476

MR. PETER MCARA, Jr., Elected President of the Associated Boards of Trade of Western Canada 476

MR. GEORGE PERRY GRAHAM, Elected Leader of the Liberal Opposition in the Ontario Legislature. Appointed Dominion Minister of Railways and Canals 512

MR. ALEXANDER GRANT MCKAY, K.C., M.P.P. Appointed to succeed Mr. Graham as Leader of the Ontario Liberal Opposition..... 512

MR. ALFRED D. DECELLES, F.R.S.C., LL.D. Appointed a C.M.G. by His Majesty the King 536

MR. R. M. COULTER, Deputy Postmaster-General. Appointed a C.M.G. by His Majesty the King 536

THE HON. J. H. HOWDEN, M.P.P. Appointed Minister of Railways, Telegraphs and Telephones in Manitoba 538

THE HON. GEORGE R. COLDWELL, Appointed Provincial Secretary of Manitoba in 1907 538

THE HON. EDWARD L. WETMORE, Appointed Chief Justice of Saskatchewan and elected Chancellor of the Provincial University..... 586

THE HON. J. H. LAMONT, K.C. Appointed Justice of the Supreme Court of Saskatchewan 586

THE HON. WM. T. PIPES, K.C., M.L.C. Appointed Attorney-General of Nova Scotia 596

THE HON. NATHANIEL DU BOIS BECK, K.C. Appointed Justice of the Supreme Court of Alberta 596

THE HON. RICHARD MCBRIDE, M.P.P. Prime Minister of British Columbia 608

THE HON. LEMUEL J. TWEEDIE, K.C. Prime Minister of New Brunswick. Appointed Lieut.-Governor of the Province 624

THE HON. D. M. EBERTS, K.C., M.P.P. Elected Speaker of the British Columbia Legislature 624

THE HON. HENRY E. YOUNG, M.D., M.P.P. Appointed Provincial Secretary and Minister of Education in British Columbia..... 632

THE HON. WILLIAM J. BOWSER, K.C., M.P.P. Appointed Attorney-General of British Columbia 632

THE GOVERNMENT OF CANADA

GOVERNORS-GENERAL OF THE DOMINION OF CANADA

Appointment.	Assumed Office.	Name.
June 1, 1867	July 1, 1867	Viscount Monck.
Dec. 29, 1868	Feb. 2, 1869	Lord Lisgar.
May 22, 1872	June 25, 1872	Earl of Dufferin.
Oct. 5, 1878	Nov. 25, 1878	Marquess of Lorne.
Aug. 18, 1883	Oct. 23, 1883	Marquess of Lansdowne.
May 1, 1888	June 11, 1888	Lord Stanley of Preston.
May 22, 1893	Sept. 18, 1893	Earl of Aberdeen.
July 25, 1898	Nov. 12, 1898	Earl of Minto.
Sept. 26, 1904	Dec. 10, 1904	Earl Grey.

PRIME MINISTERS OF THE DOMINION OF CANADA

Appointment.	Politics.	Name.
July 1, 1867	Conservative	Sir John A. Macdonald.
Nov. 7, 1873	Liberal	Hon. Alexander Mackenzie.
Oct. 17, 1878	Conservative	Sir John A. Macdonald.
June 6, 1891	"	Sir J. J. C. Abbott.
Dec. 5, 1892	"	Sir J. S. D. Thompson.
Dec. 21, 1894	"	Sir Mackenzie Bowell.
May 1, 1896	"	Sir Charles Tupper.
July 13, 1896	Liberal	Sir Wilfrid Laurier.

GOVERNMENT OF CANADA

As on January 1st, 1907

Prime Minister and President of King's Privy Council ..... Rt. Hon. Sir W. Laurier.
Minister of Trade and Commerce ..... Rt. Hon. Sir R. J. Cartwright.
Secretary of State ..... Hon. R. W. Scott, K.C.
Minister of Justice .... Hon. A. B. Aylesworth.
Minister of Militia and Defence ..... Hon. Sir F. W. Borden.
Postmaster-General .... Hon. R. Lemieux.
Minister of Agriculture . Hon. Sydney A. Fisher.
Minister of Public Works Hon. C. S. Hyman.
Minister of Finance .... Hon. W. S. Fielding.
Minister of Railways and Canals ..... Hon. H. R. Emmerson.
Minister of the Interior and Supt.-General of Indian Affairs ..... Hon. F. Oliver.
Minister of Customs .... Hon. W. Paterson.
Minister of Marine and Fisheries ..... Hon. L. P. Brodeur.
Minister of Inland Revenue ..... Hon. W. Templeman.

SUPREME COURT OF CANADA

Chief Justice ..... The Hon. Charles Fitzpatrick.
Puisne Judge ..... The Hon. Désiré Girouard.
" " ..... The Hon. Sir Louis H. Davies, K.C.M.G.
" " ..... The Hon. John Idington.
" " ..... The Hon. James Maclennan.
" " ..... The Hon. L. P. Duff.

PROVINCIAL GOVERNMENTS, ETC., IN CANADA

As on 1st January, 1907.*

ONTARIO—Lieutenant-Governor—WILLIAM MORTIMER CLARK, K.C., LL.D.

Premier and President of the Council.....Hon. J. P. Whitney.
Attorney-General.....Hon. J. J. Foy.
Treasurer .....Hon. A. J. Matheson.
Minister of Education..Hon. R. A. Pyne.
Minister of Agriculture..Hon. Nelson Monteith.

Minister of Lands and Mines .....Hon. F. Cochrane.
Provincial Secretary....Hon. W. J. Hanna.
Minister of Public Works.Hon. J. O. Reaume.
Minister without Portfolio .....Hon. W. A. Willoughby.
" " ..Hon. J. S. Hendrie.
" " ..Hon. Adam Beck.

Speaker of the Assembly.Hon. J. W. St. John.

Leader of the Liberal Opposition .....Hon. George W. Ross.

Chief Justice of Ontario..Hon. Charles Moss.
Chief Justice Court of King's Bench .....Hon.W.G.Falconbridge.

Chancellor of Ontario....Hon. Sir John A. Boyd.
Chief Justice Court of Common Pleas.....Hon. Sir W.R. Meredith.

Chief Justice Exchequer Division—Hon. Sir William Mulock.

QUEBEC—Lieutenant-Governor—SIR LOUIS A. JETTÉ, K.C.M.G., K.C.

Premier and Attorney-General .....Hon. Lomer Gouin.
Minister of Lands and Forests .....Hon. Adelard Turgeon.
Minister of Public Works and Labour .....Hon. W. A. Weir.

Provincial Treasurer....Hon. Auguste Tessier.
Provincial Secretary and Registrar .....Hon. Rodolphe Roy.
Minister of Agriculture.Hon. L. J. Allard.
Minister of Colonization, Mines and Fisheries...Hon. J. B. B. Prevost.

Speaker of the Assembly.Hon. P. H. Roy.

Leader of the Government in Legislative Council..... .....Hon. L. J. Allard.

Speaker of the Legislative Council .....Hon. Horace Archambeault.
Leader of Opposition in Legislative Council ...Hon. Thomas Chapais.

Leader of the Conservative Opposition in the Assembly—P. E. LeBlanc.

Chief Justice Court of King's Bench.. .....Hon. Sir Alex. Lacoste.

Chief Justice of Superior Court.....Sir M. M. Tait.

NOVA SCOTIA—Lieutenant-Governor—HON. DUNCAN C. FRASER.

Premier and Provincial Secretary..... ..Hon. G. H. Murray.
Attorney-General.....Hon. Arthur Drysdale.
Commissioner of Works and Mines.....Hon. W. T. Pipes.

Minister without Office.Hon. A. H. Comeau.
" " ..Hon. D. McPherson.
" " ..Hon. C. P. Chisholm.
" " ..Hon. B. F. Pearson.

Speaker of the Legislative Assembly.....Hon. E. M. Farrell.
Leader of the Conservative Opposition.....Charles E. Tanner.

President of Legislative Council .....Hon. M. H. Goudge.
Chief Justice of Supreme Court.....Sir R. L. Weatherbe.

NEW BRUNSWICK—Lieutenant-Governor—HON. JABEZ BUNTING SNOWBALL.

Premier and Provincial Secretary .....Hon. L. J. Tweedie.
Attorney-General.....Hon. W. Pugsley.
Surveyor-General.....Hon. F. J. Sweeney.
Solicitor-General .....Hon. W. P. Jones.

Chief Commissioner of Public Works.....Hon. C. H. LaBillois.
Commissioner of Agriculture.....Hon. L. P. Farris.

Leader of the Conservative Opposition .....J. Douglas Hazen, K.C.

Speaker of the Assembly.Hon. C. W. Robinson.

Chief Justice of Superior Court—Hon. W. H. Tuck.

---

*NOTE—The object of these tables is to indicate the names of those holding the higher official and judicial positions in the Provinces on January 1st, 1907. Changes during the year are stated in the text of this volume.

PRINCE EDWARD ISLAND—Lieutenant-Governor—HON. DONALD A. MCKINNON.

Premier and Attorney-General.....Hon. Arthur Peters.	Member of Executive without Portfolio....Hon. Peter McNutt.
Provincial Secretary, Treasurer and Commissioner .....Hon. S. E. Reld.	" " "....Hon. George Godkin.
Commissioner of Public Works .....Hon. J. H. Cummiskey.	" " " ..Hon. B. J. Gallant.
	" " " ..Hon. G. E. Hughes.
	" " " ..Hon. F. L. Hassard.
	" " " ..Hon. Matthew Smith.

Speaker of the Legislative Assembly.....Hon. Dr. A. E. Douglas.	Leader of the Conservative Opposition.....John A. Mathieson.

Chief Justice of Supreme Court—Hon. W. W. Sullivan.

MANITOBA—Lieutenant-Governor—SIR DANIEL H. MCMILLAN, K.C.M.G.

Premier President of Council, Minister of Agriculture and Immigration, Commissioner of Railways and of Public Lands .....Hon. R. P. Roblin.	Provincial Secretary and Municipal Commissioner .....Hon. David H. McFadden.
Provincial Treasurer.....Hon. J. H. Agnew.	Attorney-General and Minister of Education. Hon. Colin H. Campbell.
	Minister of Public Works. Hon. Robert Rogers.

Speaker of the Legislature.....Hon. James Johnson.	Leader of the Liberal Opposition.....Edward Brown.

Chief Justice of Court of King's Bench—Hon. Joseph Dubuc.

SASKATCHEWAN—Lieutenant-Governor—AMÉDÉE EMMANUEL FORGET.

Premier. President of Council and Commissioner of Public Works. Hon. Walter Scott.	Commissioner of Education and Provincial Treasurer.....Hon. J. A. Calder.
Attorney-General.....Hon. J. H. Lamont.	Commissioner of Agriculture and Provincial Secretary .....Hon. W. R. Motherwell.

Speaker of the Legislative Assembly.....Hon. Thos. McNutt.	Leader of the Opposition. F. W. G. Haultain, K.C.

ALBERTA—Lieutenant-Governor—GEORGE HEDLEY VICARS BULYEA.

Premier, Minister of Education and Provincial Treasurer.....Hon. A. C. Rutherford.	Minister of Public Works. Hon. W. H. Cushing.
Attorney-General .....Hon. C. W. Cross.	Minister of Agriculture and Provincial Secretary.....Hon. W. T. Finlay.

Speaker of the Legislative Assembly .....Hon. C. W. Fisher.	Leader of the Conservative Opposition .....A. J. Robertson.

BRITISH COLUMBIA—Lieutenant-Governor—HON. JAMES DUNSMUIR.

Premier and Minister of Mines .....Hon. Richard McBride.	Minister of Finance and Agriculture and Chief Commissione of Lands and Works .....Hon. R. G. Tatlow.
Provincial Secretary....Hon. William Manson.	
Attorney-General.....Hon. F. J. Fulton, K.C.	

Speaker of the Legislative Assembly .....Hon. C. E. Pooley.	Leader of the Liberal Opposition.....James A. Macdonald, K.C.

Chief Justice of Supreme Court—Hon. Gordon Hunter.

Commissioner of the Northwest Territories—Col. Fred. White, C.M.G.

Chief Justice of the Northwest Territories—Hon. A. L. Sifton.

CANADIAN BOOKS OF THE YEAR

NOVELS AND ROMANCES

Name of Book.	*Author.*
A Colonel from Wyoming	J. A. H. Cameron.
The Weavers	Sir Gilbert Parker, M.P.
The Rival Forts; or the Velvet Siege of Beausejour	M. Amelia Fychte.
Ian of the Orchards	W. Wilfred Campbell.
Cruise of the Shining Light	Norman Duncan.
The Lone Furrow	W. A. Fraser.
At the Sign of the Beaver	Samuel Mathewson.
Phantom Wives	Arthur J. Stringer.
Gaff Linkum	Archie P. McKishnie.
The Giant's Strength	Basil King.
The Dawn at Shanty Bay	Rev. Robert E. Knowles.
In the Deep of the Snow	C. G. D. Roberts.
The Battle of the Bears	Egerton R. Young.
The Red Feathers	Theodore Roberts.
Spirit Lake	Arthur Heming.
Carmichael	"Anison North."

POETRY

Songs and Sonnets	Helena Coleman.
Lyrics from the West	C. F. P. Conybeare, K.C.
Songs of a Sourdough	Robert W. Service.
The Prodigal Son and Other Poems	Peter McArthur.
The Woman in the Rain and Other Poems	Arthur J. Stringer.
The Last Robin and Other Poems	Ethelwyn Wetherald.

HISTORY, POLITICS AND BIOGRAPHY

The Tragedy of Quebec; The Expulsion of its Protestant Farmers	Robert Sellar.
Wilmot and Tilley	Dr. James Hannay.
Lord Dorchester	A. G. Bradley.
The History of New France, by Marc Lescarbot (Edited)	W. L. Grant.
Canadian Constitutional Development	Prof. H. E. Egerton, W. L. Grant, M.A.
From my Canadian Scrap-Book	G. M. Fairchild, Jr.
A Jubilee Memorial; History of the Church and Diocese of Huron.	Rt. Rev. Dr. David Williams, Ven. J. B. Richardson, D.C.L., Rev. Alfred Brown, B.A., Rev. Dyson Hague, M.A.
The Resources of Canada	C. de Bouthilier-Chavigny.
Life of Jules P Tardival	Mgr. Fevre.
Documentary History of the Campaign of 1813. Vol. VII. (Edited)	Lt.-Col. E. Cruickshank.
The University of Toronto and its Colleges, 1827-1906 (Edited)	Prof. W. J. Alexander.
History of the County of Bruce	Norman Robertson.
The Last Siege of Louishourg	C. Ochiltree Macdonald.
Canada's Opportunity	Major Robert Larmour.
Vikings of the Pacific	Agnes C. Laut.
Canada	Beckles Willson.
Canada: Paintings by T. Mower Martin, R.C.A.	W. Wilfred Campbell.
In Search of the Western Sea	Lawrence J. Burpee.
Baldwin, Lafontaine, Hincks	Prof. Stephen B. Leacock
Documents Relating to the Constitutional History of Canada (Edited)	Prof. Adam Shortt, Dr. A. G. Doughty, C.M.G.
Voyages of Samuel de Champlain, 1604-18 (Edited)	W. L. Grant.
Samuel Champlain, foudateur de Quebec	N. E. Dionne.
Blockade of Quebec in 1775-1776 by the American Revolutionists (Edited)	F. C. Wurtele.
Lafontaine et son Temps	Alfred D. DeCelles.
Cartier et son Temps	Alfred D. DeCelles.
The North-West Mounted Police: A Corps History	Capt. Ernest J. Chambers.
Transactions of the Royal Society of Canada	
Collections of the New Brunswick Historical Society (Edited)	Dr. W. F. Ganong.
Histoire de la paroisse de Saint Denis sur-Richelieu	L'Abbé J. B. A. Allaire.
Histoire de l'Ouest Canadien de 1822 à 1869	L'Abbé G. Dugas.
New Canada and New Canadians	H. A. Kennedy.
The Thompson Country (Southern British Columbia)	Mark S. Wade.
Canada's Century: Progress and Resources of the Great Dominion	R. J. Barrett.
Documentary History of Education in Upper Canada. Vols. XVII. and XVIII. (Edited)	Dr. J. George Hodgins.
Souvenirs d'une Classe au Seminaire de Quebec, 1867-1877	J. Edmond Roy.
Annual Report, Ontario Historical Society, 1907	
Fourth Report of Ontario Bureau of Archives	Alexander Fraser.
The Race Question in Canada	André Siegfried.
The Early Federation Movement of Australia	C. D. Allin.
Papers and Records of the Ontario Historical Society, Vol. VII.	

MONOGRAPHS AND PAMPHLETS

Name of Book.	*Author.*
The Anglican Church and Apostolic Succession ..	Rev. Herbert Symonds, D.D.
The Choice of the Capital	Hon. R. W. Scott, K.C.
Transactions of the Canadian Military Institute, 1906	
The Downfall of the Huron Nation	C. C. James, M.A.
Canada : The Making of a Nation	Edward Harris.
The Navies of Lake Ontario in the War of 1812	Barlow Cumberland.

WORKS OF REFERENCE

The Canadian Annual Review for 1906	J. Castell Hopkins.
Minutes of Proceedings of the Colonial Conference, 1907..... ..	
McKim's Newspaper Directory, 1907	A. M. McKim & Company
Review of Historical Publications Relating to Canada. (Edited).	Prof. G. M. Wrong. H. H. Langton.
The Canadian Astronomical Handbook for 1907	
The Canadian Red-Book.	Montreal *Star*.
The Shareholders and Directors Manual	J. D. Warde.
New Brunswick Official Year-Book	
Analytical Index to the Official Debates of the House of Commons (1906-07)	
The Canadian Almanac for 1907	Arnold W. Thomas.
Women Workers of Canada : A Year-Book, 1907.....	
The Commercial Handbook of Canada	Ernest Heaton.
Year Book of the Methodist Church, 1907....	
The Annual Financial Review. (Edited)....	W. R. Houston.

MISCELLANEOUS

Christianity and the Bible	Rev. Henry F. Waring.
The Religious Functions of Comedy	J. D. Logan.
The Study of Nature and the Vision of God	Rev. Dr. G. J. Blewett.
Studies in Practical Theology	Rev. Allan Pollok, D.D.
The Haunters of the Silence	C. G. D. Roberts.
The Servant of Jehovah	G. C. Workman, Ph.D.
The Three Crosses	Prof. J. W. Falconer.
The Secret of the Stream	Rev. J. B MacLean.
The Fruit of the Spirit..	Ven. W. J. Armitage.
Canadian Village Life ..	Adelaide M. Teskey.
Selected Poems of Percy Bysshe Shelley (Edited)	George Herbert Clark.
Select Poems of Alfred Tennyson (Edited) ...	Prof. Archibald MacMechan.
The Law of Defamation in Canada	John King, K.C.
The Combined Treatment in Diseases of the Eye.....	Dr. G. Herbert Burnham
Genesis of Churches in the United States, in Newfoundland and in Canada	James Cahill.
General Ordnances of the North-West Territories of Canada (Edited)	Reginald Rimmer.
Graphite : Its Properties, Occurrence, Refining and Uses	Fritz Cirkel, M.E.

HONOURARY UNIVERSITY DEGREES CONFERRED IN 1907

University.	Name.	Address.	Degree.
Mount Allison University	Rev. William Dobson	Charlottetown	D.D.
" " "	Rev. D. W. Johnson	Windsor, N.S.	D.D.
Acadia University	Rev. Dr. C. A. Eaton	Cleveland O.	D.D.
" "	Rev. Edwin Crowell	Canning, N.S.	D.D.
" "	Rev. Robert McDonald	New York	D.D.
" "	Rev. Dr. Thomas Trotter	Wolfville, N.S.	LL.D.
King's "	Rt. Rev. J. A. Richardson	Fredericton	D.D.
" "	Rev. D. W. Pickett	Greenwich, N.B.	D.C.L.
" "	Hon. Duncan C. Fraser	Halifax	D.C.L.
" "	Dr. Henry J. Morgan	Ottawa	D.C.L.
McGill "	M. Alfred Kleezkowski	Montevideo	LL.D.
" "	Professor Max Müller	Berlin	LL.D.
Presbyterian College, Montreal	Rev. Dr. J. A. Morrison	Chicago	D.D.
"	Rev. Murdich MacKenzie	Honan, China	D.D.
University of Bishop's College	Rt. Rev. Dr. Dunn	Quebec	D.C.L.
"	Rev. H. de B. Gibbins	Lennoxville	D.C.L.
"	Rev. E. J. Bidwell, M.A.	Lennoxville	D.C.L.
"	William Farwell	Sherbrooke	D.C.L.
"	Robert Camphell	Montreal	D.C.L.
"	Lieut.-Col. William Wood	Quebec	D.C.L.
"	C. F. P. Conybeare, K.C.	Lethbridge	D.C.L.
Toronto University	Dr. S. Weir Mitchell		LL.D.
" "	Archibald MacMurchy, M.A.	Toronto	LL.D.
" "	Hugh Innes Strang		LL.D.
" "	Dr. John Bach McMaster	University of Pennsylvania	LL.D.
" "	Dr. Henry S. Pritchett	Carnegie Foundation	LL.D.
" "	Sir Sandford Fleming	Queen's University	LL.D.
" "	Dr. Cecil C. Jones	University of New Brunswick	LL.D.
" "	Dr. A. C. McKay	McMaster University	LL.D.
" "	Howard Murray, B.A.	Dalhousie University	LL.D.
" "	Dr. William Peterson, C.M.G	McGill University	LL.D.
" "	Hon. A. C. Rutherford, B.A.	Alberta Minister of Education	LL.D.
" "	Rt. Rev. Dr. Williams	Western University	LL.D.
" "	Hon. H. E. Young, B.A.	British Columbia Minister of Education	LL.D.
" "	Hon. J. A. Calder, B.A.	Saskatchewan Minister of Education	LL.D.
" "	Hon. Joseph Dubuc	Manitoba University	LL.D.
" "	Rt. Rev. and Rt. Hon. Dr. A. F. Winnington-Ingram	Bishop of London	LL.D.
" "	Mgr. O. E. Mathieu, C.M.G.	Laval University	LL.D.
Trinity University	Most Rev. Dr. Arthur Sweatman	Toronto	D.D.
" "	Very Rev. J. C. Farthing, B.A.	Kingston	D.D.
" "	Rt. Rev. Charles Scadding	Bishop of Oregon	D.D.
Knox College	Rev. R. E. Welsh, M.A.	Montreal	D.D.
" "	Rev. J. G. Shearer, B.A.	Toronto	D.D.
" "	Rev. J. H. Ratcliffe, B.A.		D.D.
" "	Rev. Hugh McKay, B.A.	Round Lake, Sask.	D.D.
McMaster University	Rev. J. G. Brown	Toronto	D.D.
" "	Principal W. A. McIntyre, B.A.	Winnipeg	LL.D.
" "	Rev. W J. McKay, B.D.	Toronto	LL.D.
" "	Rev. Dr. J. L. Campbell	Cambridge Mass.	D.D.
" "	Rev. Professor George Cross, Ph.D.	Toronto	D.D.
" "	Rev. L. S. Hughson, B.D.	Windsor	D.D.
" "	Hon. A. C. Rutherford	Premier of Alberta	LL.D.
" "	Rev. Dr. J. W. A. Stewart	Rochester, N.Y.	LL.D.
" "	Hon. James V. Teetzel	Toronto	LL.D.
" "	Rev. Newton Wolverton, B.A.	Nelson, B.C.	LL.D.
Queen's "	Professor W. G. Miller	Toronto	LL.D.
" "	Hon. George P. Graham, M.P.	Ottawa	LL.D.
" "	W. B. Geikie, M.D., D.C.L.	Toronto	LL.D.
" "	H. B Spotton, M.A.	Toronto	LL.D.
" "	A. P. Low, Ph.D.	Ottawa	LL.D.
" "	Rev. Professor Ballantyne	Knox College, Toronto	D.D.
Victoria "	Rev. Thomas Crosby	Sardis, B.C.	D.D.
" "	Rev. William McDonagh	Stratford, Ont.	D.D.
" "	Rev. James A. Rankin	Toronto	D.D.

CANADIAN RHODES SCHOLARS, 1907

Name.	Appointed by	Province.
George Douglas Rogers	Mount Allison University	New Brunswick.
Norman Macdonnell	Queen's University	Ontario.
C. A. Adamson	Provincial Committee	Saskatchewan.
Thomas F. F. Larsen	Provincial Committee	British Columbia.
Howard Miller	University of Manitoba	Manitoba.

EDUCATIONAL APPOINTMENTS, 1907

Institution.	Name.	Position.
University of New Brunswick	Philip Cox, PH.D.	Professor of Natural History.
" "	W. B. Cartmel	Professor of Physics and Electrical Engineering.
" "	C. M. Carson, PH.D.	Professor of Chemistry.
Mount Allison College	Dr. R. K. McClung	Professor of Physics.
McGill University	Dr. C. H. Perrin	Professor of Music.
Toronto University	Dr. R. A. Falconer	President.
Halifax Presbyterian College	Rev. Dr. Robert Magill	Principal.
Acadia College	Rev. Dr. W. B. Hutchinson	President.
Dalhousie University	Murray McNeill, M.A.	Professor of Mathematics.
" "	Ernest A. Stone, B.SC.	Professor of Civil Engineering.
Acadia University	R. C. Archibald, PH.D.	Professor of Mathematics.
McGill University	J. L. Todd, B.A., M.D.	Professor of Parasitology.
Vancouver College	Dr. James G. Davidson	Professor of Physics.
Toronto University	C. K. Clarke, M.D., LL.D.	Professor of Psychiatry.
" "	J. P. McMurrich, M.A., PH.D.	Professor of Anatomy.
" "	W. L. Miller, B.A., PH.D.	Professor of Physical Chemistry.
" "	W. S. Milner, M.A.	Professor of Greek and Roman History.
" "	Bernard E. Fernow	Professor of Forestry.
Manitoba College	Rev. J. D. Fleming, M.A., B.D.	Professor of Systematic Theology.
University of Manitoba	E. Brydone-Jack, B.A.	Professor of Civil Engineering.
" "	D. M. Duncan, B.A.	Registrar.
University of Bishop's College	Rev. R. A. Parrock, LL.D	Principal.
Laval University, Montreal	Dr. Loir	Professor of Biology.
McGill University	Dr. F. G. Finley	Professor of Medicine.
" "	Dr. H. A. Lafleur	Professor of Medicine.
" "	Dr. C. F. Martin	Professor of Medicine.
" "	Dr. James Bell	Professor of Surgery.
" "	Dr. G. E. Armstrong	Professor of Surgery.
" "	Dr. Andrew Macphail	Professor of the History of Medicine
" "	Prof. D. A. Murray, PH.D.	Professor of Applied Mathematics.
" "	A. J. Dale, B.A.	Professor of Education.
" "	Howard T. Barnes, D.SC., F.R.S.C.	Professor of Applied Science.
" "	Rev. C. A. B. Brockwell, M.A.	Professor of Hebrew.
" "	Paul T. Lafleur	Professor of Comparative Literature.
University of Bishop's College	Rev. H. F. Hamilton, B.D.	Professor of Pastoral Theology.
Queen's University	J. L. Morrison, M.A.	Professor of History.
" "	W. T. McClemont	Professor of Botany.
" "	Dr. Cecil F. Lavell	Professor of Education.
McMaster University	Rev. J. A. Gilmore, B.D.	Professor of Practical Theology.
" "	J. Bishop Tingle	Professor of Chemistry and Mineralogy.
Macdonald Agricultural College	G. H. Locke, M.A.	Professor of History and Education.
" " "	John Brittain, D.SC.	Professor of Nature Study.
Montreal Presbyterian College	Rev. R. E. Welsh, M.A.	Professor of Apologetics.
" " "	Rev. A. R. Gordon, M.A.	Professor of Old Testament Literature.

THE HON. R. P. ROBLIN, M.P.P.
Prime Minister of Manitoba in 1907.

THE CANADIAN ANNUAL REVIEW

I.—FINANCIAL AFFAIRS AND CONDITIONS

Causes of the Financial Stringency of 1907

Canada commenced the year 1907 with a record of bounding prosperity in the immediate past and the apparent hope of continued expansion and development in the immediate future. There were, it is true, little clouds of doubt upon the horizon; there were warnings from a few experienced bankers such as Mr. B. E. Walker of a too heavy strain upon the national capital and borrowing powers. But they were disregarded and the initiation of new enterprises, the exploitation of credit and unlimited natural resources, the individual extravagance of the people, the hopeful but unwise expenditures of municipalities, the expansion of productive powers, continued until checked by the Banks. The ensuing stock panics and depression, the curtailment of credit and tightness of money, the financial inconveniences and hardships, were due to (1) world-wide causes, (2) to the consequences of United States contiguity, (3) to local influences and development.

In the first category was the fact of universal expansion and prosperity. Enormous investments or promised investments of capital in new countries such as Brazil and South America generally, in Egypt and parts of Africa, in Japan, the Philippines and parts of Asia, in Mexico, the United States and Canada; the building of railways and steamships everywhere and the general expansion of industries and trade; indicated a condition which could not continue indefinitely. The world's supply of gold was not keeping pace with the demands of business and the requirements of financial operation and, in 1907, there was actually a decrease in production of $2,700,000 from the $405,931,320 total of 1906. Recovery had not yet come in full from the heavy drain upon British capital of the billion or more expended in the South African War and of the consequent shrinkage in South African securities. Other countries were still feeling the demands upon

capital of the Spanish-American War and the Russo-Japanese conflict. To the many millions thus lost in the destruction of armament and of individual wealth, or sunk in the flotation of war loans, was added the stoppage of the Rand production of gold for some years, the enormous loss in the earthquakes at San Francisco ($220,000,000) and other points, and the continuous private burial of coin in "graveyards of gold" such as Egypt and India. Inflated prices and wages, luxury in living and over-production of securities, were further causes of certain trouble.

The United States cannot suffer financially and commercially without Canada being in some degree affected. During 1906 the danger signals in the Republic were flaring in many directions. They included insurance, financial and political scandals; widespread and enormous speculation in stocks and securities of every kind of worth and worthlessness; unprecedented and impossible demands for fresh capital—estimated by M. Leroy Beaulieu at $2,000,000,000 yearly; the issue (as an illustration) of $1,196,000,000 of new railway and industrial stocks in the first nine months of 1906 and of $1,025,000,000 in the first nine months of 1907; the continuous conflict between great trusts and corporations and a part of the press and people which was further complicated by the ever-growing distrust between capital and labour; the increasing demand for money and the desperate methods of "high finance" to obtain it, the consequent shrinkage in securities, and the gradual withdrawal by British investors; the growing extravagance of the people indicated by an expenditure of $400,000,000 upon automobiles alone in less than two years—according to a statement before the American Bankers Association; the general abuse of credit and the overloading of financial institutions with inflated securities.

Then, in 1907, came the continued onslaughts of men like Lawson upon the great corporations; the revelations in connection with Traction deals, Harriman operations and the Metropolitan iniquities; the active hostility of the President and his friends to the financial methods and manipulations of the time; the Standard Oil fine of $29,000,000 with its accompanying evidences of lawless operation; the stock exchange panic of March, the troubles of August, and the financial collapse of October; the bad effect upon the world's business at such a juncture of the hoarding of $900,000,000 of gold in the United States Treasury; the once-more proven weakness of the American banking system in times of crisis; the fall in the prices of copper and other metals and of lumber. The result was inevitable when the demand for money and the inflation of values in material, fuel, labour and production had reached a certain stage. Coupled with all this was a popular distrust in the great financiers and the big corporations which was intensified by political talk, press sensationalism, and distinctly dishonest methods. Minor influences were the lessened

wheat exports, the extensive borrowings of railways for construction purposes and increased operating expenses; the enforced liquidation of insurance stocks, the severe weather of the winter and the backward spring season, the promise and realization of a reduced wheat yield.

The surface and local cause of trouble, so far as it extended to Canada, was mainly an insufficient supply of money to meet a condition of general business expansion and individual extravagance. Specific minor or collateral conditions were of course numerous. Stock exchange speculation in the United States brought somewhat similar conditions and results into Canada; the threatened injury to the crops by bad weather, and the actual shortage, caused alarm; the decline in values of United States stocks affected many Canadians; the low prices of some products and the abnormally high prices of articles of food affected the people as a whole; the influx, late in the year, of many unemployed persons from across the border, and the temporary lack of work in many places and at the same season for some, at least, of the large number of incoming settlers from abroad caused serious local inconvenience; the collapse of the real estate expansion in the West was inevitable but none the less unpleasant; the unwise and reckless investment in "wild-cat" mining ventures and the placing of an estimated sum of $30,000,000, for instance, in Cobalt stocks—most of which went to New York—caused trouble in another direction; the continued and increasing excess of imports over exports, though a debatable point in some respects, no doubt helped in a measure to create the tightness of money; the blockade of grain in the West during the winter of 1906-7, with the shortage of cars and of fuel, caused much disturbance in transportation circles and in Western homes; the investment of a varying sum of many millions by Canadian Banks in New York call loans was a fruitful subject of controversy and, upon the whole, of adequate defence; the over-borrowing of some municipalities and the dislike of the financial classes to the many schemes of public ownership throughout the country aroused considerable distrust amongst investors; the investment of millions of Canadian capital in financial schemes in Cuba, Mexico, Brazil, Guatemala, Porto Rico, etc., was an alleged influence in the tightening of money; the decrease in wheat production and in exports of cheese and butter, though the farmer was compensated by increased prices, hurt the Canadian consumer and reduced by some millions the national income; Labour difficulties with mining companies at Fernie, at Lethbridge, at Cobalt and at Sydney were complicated by the legal struggle of two great corporations, the Dominion Iron and Steel and Dominion Coal Companies; the increase during five preceding years in the capital absorbed in Canadian industries by $400,000,000 and in railways by another $400,000,000 must also have had a pronounced effect in tightening money.

Financial Conditions in Canada during the Year

None of these influenees were permanent or to be deeply feared in Canada; they were incidental however to a eondition which had to be faeed during the year. In spite, also, of the surfaee strength of the financial trouble at the close of 1907 it may safely be said that, as a whole, the business and really produetive aetivities of the eountry were in advanee of the phenomenal prosperity of 1906. The money scareity did not involve a real eommereial or industrial depression; the shortage in the crops did not represent the serious loss indieated owing to the higher prices realized. Aceording to Bradstreet's annual finaneial summary (Dee. 31, 1907) the erop situation was as follows:

> Between 65,000,000 and 70,000,000 bushels of wheat comprised the Western yield. Of this about 35,000,000 bushels have been marketed at a price of 24 to 28 cents per bushel higher than was received last year. Corn has sold at 16 to 17 cents higher; peas 13 to 14 cents higher; oats 14 to 16 cents higher; and hay $4 to $5 a ton. Bad weather affected the condition of the grain but it has so far graded surprisingly well. Fifty-two per cent. of the north-western grain marketed was of contract grade—a very satisfactory showing in view of the late season. Ontario crops were below 1906 as to total yield but were well up to the average as to general quality and higher prices assured substantial gains to the farmers over last year. Quebec crops were poor; those of the Maritime Provinces good and those of British Columbia good. During November considerable trouble was experienced in the matter of moving grain to market, but easier money later greatly lessened the difficulties attending the movement.

The banks bettered the splendid returns of 1906; the trade of the eountry showed a eontinuous expansion though the inerease in imports was a little out of proportion; railroad building proeeeded with great strides in a continental sweep of aetivity only limited by laek of labour; the total volume of wholesale trade was greater than in 1906; the eotton industry exeeeded the previous year's output and manufaeturers, in general, reported a demand only limited in supply by the stringeney of the money market cheeking expansion; a lesser output of lumber was balaneed by inereased United States demands for pulp-wood and local requirements in railway ties; immigration increased to nearly 300,000 in number and the opening up of the West and New Ontario continued; trade in the Maritime Provinces was good and the laek of previous inflation prevented any eurrent eurtailment of development; railway earnings continued good from month to month; British Columbia reported an inereased mineral production and the milling industry in Western Canada had the greatest year in its history; Montreal reported a reeord year in its passenger traffie and a great increase in eustoms revenues; the shipping industry had a satisfaetory season and building operations throughout bulked larger than in 1906; Bank clearings in Winnipeg increased and the total for all Canada showed a similarly large increase. Mr. William Farwell, President of the Eastern Townships Bank,

in his annual statement on Dec. 4th described the situation as follows: "Business generally has been satisfactory for the period under review, but there has been a marked falling off in the demand for lumber and in some of the districts crops have not been successfully harvested, yet all things considered the general agricultural, industrial and financial condition of Canada may be considered satisfactory. Mining operations have been prosecuted on an increasingly large scale, and while some stoppages have occurred for one reason or another, the wealth of the country has been materially added to by the production of the mines."

Yet the tightness of money at the close of the year was very great and in some of the lines of development mentioned above this influence was being clearly felt. The general and collateral causes have been dealt with; the outstanding reasons may be summarized here from the statements of prominent financial men. According to Mr. E. S. Clouston, General-Manager of the Bank of Montreal, at the annual meeting of that institution on Dec. 2nd the stringency was "the result of universal prosperity." He was hopeful as to the future. "In Canada where we have been exceptionally prosperous for several years we can stand a temporary reverse without serious consequences and I do not look for a reaction on anything like the scale which we experienced in previous similar epochs." Mr. George Burn, General-Manager of the Bank of Ottawa, stated at his annual meeting on Dec. 11th that: "It does not often happen that the scarcity of money has been so world-wide as during the past few months. In our own country the delays in the marketing of the crops, the continued growth of imports and the demands for advances created by the extraordinary expansion west of the Great Lakes, have all combined to use up to a considerable extent the available resources not only of the banks but of the loan companies and insurance companies." He could see no serious cloud on the horizon if business men pursued ordinary caution. Mr. B. E. Walker in his important annual address to the Canadian Bank of Commerce (Toronto, Jan. 14, 1908), summarized the situation in these words:

> Canada was doing more business than was justified by the money at our command at home or that could be secured abroad by the sale of the securities the country was creating, although it was not producing even sufficient merchandise to meet the demand or building to any degree in advance of immediate requirements. We were, however, importing far in excess of our exports, and, generally, we were mortgaging our future, not as a rule, in the case of each individual, municipality, industrial company or railway beyond what could be plainly justified if money were easy; but beyond what was wise having regard to the world-wide condition of the money market which has been so marked in recent years. Now that the check upon our expansion, which we would not make of our own accord, has, in a measure been forced upon us, we shall doubtless rapidly adjust our affairs to the new conditions and I shall be surprised if we do not eventually conclude that as a borrowing country we have escaped the more serious troubles of our neighbours, have not failed to sustain the high credit Canada enjoys in Great Britain and

elsewhere in Europe, and that the Banks, even if no more free from blame than other members of the business community, have really done all that could be fairly demanded.

When the tightness in the money market (so far as Canada was concerned) commenced to be felt the Toronto *Globe* had an editorial statement (June 24) in which the rush of settlers and the rapid railway construction were given as two of the local causes. Another reason was a rather curious one in view of the fiscal opinions of that paper: "One obvious cause is the great excess of our imports over exports for some time past. When the latter do not pay for the former the balance must be restored by payments in cash, and we cannot remit our money and spend it here at the same time. The amount of our imports is determined by our needs; the amount of our exports is determined, in part at least, by the chapter of accidents." Sir H. Montagu Allan, President of the Merchants Bank of Canada, told a Winnipeg paper on August 6th that "there simply is not enough money in the country for the amount of business we are doing"; Mr. James Elliott, General-Manager of the Molsons Bank, declared on August 8th that "the people of Canada are spending too much money on cigars and pianos and not saving enough"; Mr. C. A. Bogert, General-Manager of the Dominion Bank, stated on Sept. 29th, that the cause was "over-prosperity" and that there was "not enough money in the country"; Sir W. C. Van Horne told the press of Minneapolis, U.S., that the trouble there and, to a lesser degree, in Canada was a lack of confidence and the individual "hoarding" of money—"There is just as much money in existence now as there was three months ago"; Professor James Mavor, in an elaborate study of the subject from the economist's standpoint, declared at the close of the year that mining speculation in Ontario, urban and rural land speculation in the North-West, and the effects of a deficient harvest, were the chief causes.

President Cockshutt of the Canadian Manufacturers Association in his annual address (Sept. 24), after describing trade as good, orders plentiful and factories working to their capacity, declared some of the contributory causes of the stringency to be (1) inadequate transportation facilities during the winter interfering with the marketing of the crops of 1906 and with the delivery of manufactured goods, (2) the using of money in Western real estate speculation which should have paid the debts due to manufacturers and wholesalers, (3) the negotiating of Provincial loans at home causing a restriction of investment in local industries, (4) the closing of many savings bank accounts owing to foolish Cobalt and other speculations. To the Halifax *Chronicle* on Dec. 24, Mr. Wm. McMaster, General-Manager of the Montreal Rolling Mills, was explicit as to general conditions: "Trade throughout Canada is good and I have never known a year when payments were so prompt as this season. Our country has been

advancing rapidly during the past few years, and now that we have put the brakes on for a few months we are told by some that the Dominion is battling with hard times. The whole thing is absurd." In an interview on his return from England (Jan. 11, 1908) Mr. William Mackenzie, President of the Canadian Northern Railway, declared that the financial independence of Canada had been demonstrated during this period: "There has been, speaking broadly, no over-expansion of industry, and I do not see very well how there could be? For our grain and other produce there is a market which cannot fail. Our home consumption is far ahead of our manufacturing capacity and our natural resources are only beginning to be opened up, and our financial system has proven to be good. The effects of financial troubles and panics in the United States and Canada are only temporary. The country is new. It must continue to need capital from outside because its condition is like the rapidly growing boy who, increasing his growth, requires to be kept in good shape." Canadian business failures in 1907, it may be added, increased in total liabilities by 22·5 per cent. over 1906 as compared with the United States increase of three times the total of that year. It is interesting to note also that for the year ending June 30th, 1907, the deposits in chartered banks, in Post Office and Government savings banks, and in special savings banks, increased by $53,000,000—a total of $697,724,118 in 1907 as against $626,079,335 in 1906 and $555,640,068 in 1905. Full particulars of the failures in Canada during 1907 were as follows:

PROVINCES OF BRITISH AMERICA.	ACCORDING TO "BRADSTREET'S."			ACCORDING TO R. G. DUN & CO.		
	No. of Failures.	Realized Assets.	Liabilities.	No. of Failures.	Nominal Assets.	Liabilities.
Ontario	510	$2,078,840	$ 4,368,563	500	$ 4,016,776	$ 5,055,458
Quebec	517	1,831,270	4,843,176	545	4,196,455	6,442,854
New Brunswick	42	179,150	403,558	36	125,400	297,972
Nova Scotia	57	205,246	418,962	76	270,432	617,143
Prince Edward Island	6	11,900	24,100	5	23,460	38,447
Manitoba	111	373,422	717,783	24	119,537	133,906
Saskatchewan	45	279,400	472,664	62	513,121	502,214
Alberta	43	121,510	247,211			
British Columbia	33	133,200	195,350	30	178,046	133,265
Newfoundland	4	52,060	76,500	8	72,720	165,800
Total for 1907	1,368	$5,265,998	$11,767,867	1,286	$9,515,947	$13,387,059
" 1906	1,239	4,301,476	9,596,393	1,212	6,506,702	9,149,997
" 1897	1,927	5,224,897	13,219,379	1,834	10,621,527	14,265,155

The Stock Exchange Situation during the Year

The first event outstanding in the record of this financial period is the New York Stock Exchange panic, which was followed by trouble on all the Exchanges of Canada and which was at once a cause and an effect of the monetary stringency. In New York a year which will go down in history with those of 1857,

1873 and 1893 opened with speculative doubts but with no serious fears. The power to absorb new securities, it is true, was becoming limited and certain prominent stocks had depreciated largely in value during 1906—Mr. J. D. Rockefeller giving $383,000,000 as the total loss in seven concerns headed by the Standard Oil. Then came into operation the various influences already outlined; the "silent panic" of March 14, 1907, took place in New York with a paper loss of $1,000,000,000 in the value of stocks; the liquidation of stocks and bonds continued during the summer with a concurrent growth of public distrust and financial restlessness; the wheat panic in Chicago on May 13 illustrated the feverish condition of affairs; the severe break in prices on August 7th was another element in the situation under which Henry Clews estimated a decline in stock values of $3,000,000,000 since the beginning of the year; the panic of October 19th put the finishing touches upon a financial fabric which really required drastic treatment and which in the ensuing week was shaken to its very roots.

During this strenuous year security values were said to have shrunk one-third—the total shrinkage in railway stocks, industrials, bank stocks, mining issues and non-listed securities being estimated at seven thousand millions. Yet the total liabilities in the announced business failures were only $197,000,000 as against $119,000,000 in 1906. Of course, much of this shrinkage in value was nominal and temporary. In November and December a gradual recovery took place and continued into the new year while the panics did not seriously affect the permanent investor except in cases where a dividend had to be passed. Even then it was, in most cases, a temporary trouble. To a still greater extent these considerations applied to Canada where the inevitable influence of United States conditions was felt in a stock depression and curtailment of speculation; a general tightening of money and an estimated depreciation in stock values of $200,000,000. In Montreal and Toronto as in London, England, the preliminary panic of March 14th was felt though not severely. Detroit United and Twin City declined several points as did all the larger Canadian stocks. Only one failure took place—that of E. G. Rykert & Company in Montreal who were forced to suspend and sell their seat on the Exchange. On the following day, however, New York influences affected a really serious decline in every direction and "the bottom dropped out of the local markets." Toronto's loss in nominal values was placed at $17,000,000 while the trouble was followed by a very dull season in stocks and a considerable falling off in the Bank deposits of the country for the month. A less spectacular effect ensued upon the troubles of August and the panic of October. Speculation had, meantime, been largely suspended though Canadian investors still held quantities of their favourite United States stocks. There was also a class described on August 21st by Mr. R. Forget, President of the

Montreal Stock Exchange, as follows: "There are always certain people who must speculate, and being unable, owing to the local money stringency, to speculate further on the local market, they went into the New York market and when the slump took place there they were obliged to sacrifice their local holdings to provide for their New York interests." According to the Montreal *Star* of Oct. 21st the following table shows the depreciation in certain Traction stocks greatly affected by Canadians—only three of them being Canadian in location:

	Highest Market Value, 1906.	Present Market Value (Oct., 1907).	Shrinkage.
Detroit United	$12,750,000	$ 4,875,000	$ 7,875,000
Sao Paulo	12,410,000	8,755,000	3,655,000
Northern Ohio	2,660,000	1,600,000	1,060,000
Rio Janeiro	12,000,000	6,750,000	5,250,000
Toronto Street	10,020,000	7,760,000	2,260,000
Toledo Street	4,350,000	1,440,000	2,910,000
Twin City	24,572,250	17,286,000	7,286,250
Winnipeg Street	8,540,000	5,850,000	2,690,000
Montreal Street	12,780,000	7,920,000	4,860,000
Illinois Traction	3,910,000	2,652,000	1,258,000
Mexican Power	9,509,500	5,431,000	4,075,500
	$113,501,750	$70,319,000	$43,179,750

Add to this the totals in Coal and Steel and Electrics and it will be seen that a lot of wealth was, at least temporarily, wiped out. The stock of the Detroit United (Street) Railway was one in which Montreal people were greatly concerned and it fell in one day (Oct. 15) from 50 to 28½ owing to the passing of its dividend under conditions which were claimed by many Canadian shareholders to be unfair if not dishonourable. In newspaper interviews, however, Mr. H. S. Holt, a Montreal Director of the concern, defended the action taken as necessary. It may be added that an estimate at this time, given here for what it is worth, claimed that $300,000,000 of foreign Traction and Power Company stocks and bonds had been put on the Canadian market in the previous ten years. If this estimate was anywhere near to accuracy the fall in value of Sao Paulo, Detroit United, Illinois Traction, Mexican Power, etc., during the year must have been a serious inconvenience, to say the least, to very many small shareholders in Canada. A feature of the Montreal situation was the rush to borrow money on Life insurance policies which a moderate estimate placed at $1,500,000 in amount. Another was a heavy temporary decline in the value of Stock Exchange seats. Stock transactions for 1906 totalled 1,187,384 in number and decreased in 1907 to 675,220; dealings in bonds upon the Exchange decreased, more largely, from $6,267,534 to $3,881,433. The Montreal *Gazette* estimated the total shrinkage in 28 stocks—either Canadian or held largely by Canadians—at $157,000,000

and the recovery up to the end of the year at $46,000,000. This estimate dealt with stocks listed on the Montreal Exchange. Speaking to the press on Oct. 24th Mr. R. Forget, the President of the Exchange, described the Montreal situation as follows:

> I should say that the worst is over. There has been heavy liquidation and prices have been carried down to a level which renders stocks exceedingly attractive from an investment point of view. Why, some of the stocks on the local list at to-day's prices return 6, 7, 8, 9 and some over 10 per cent. to the investor, besides affording opportunities for marked appreciation in the not distant future. While the slump in prices, no doubt, meant heavy losses for some, there is this lesson to be learned from recent events and that is that Canadians would do much better to invest their money in domestic securities rather than in outside securities. Such stocks as Montreal Power, Richelieu, Textile preferred, Toronto Railway and others of the same kind afford splendid opportunities for investment. Money conditions are working somewhat easier, and the situation from now on should improve.

In Toronto the stock transactions (including mining shares) during 1907 totalled 424,213 shares as compared with 742,016 in 1906 and in bonds they were $2,926,200, compared with $3,214,400. As in Montreal speculation was latterly almost eliminated from the market and dealings confined to investment channels. Incidents of the year included the sale of blocks of Canadian General Electric, Sao Paulo and Mexican Power stocks in England; new issues of Dominion Bank stock for $1,000,000, Bell Telephone for $2,500,000, Union Bank for $1,000,000, Toronto Electric Light for $1,000,000, Crow's Nest Pass Coal for $500,000, and Consumers' Gas Company for $750,000; while the continued inflation of Cobalt incorporations which totalled $257,000,000 for the years 1903-1906 reached the extraordinary sum of $372,000,000 by April 1st, 1907. A sensational statement of the Toronto *World* (Oct. 13) as to the financial condition of the well-known firm of Pellatt & Pellatt evoked a categorical and complete statement from Sir Henry Pellatt which was endorsed by the Dominion Bank and resulted in an apologetic explanation from the newspaper concerned. A Stock Exchange was opened in Vancouver, B.C., on July 31st with Mr. C. D. Rand as President and earlier in the year L. J. Forget & Company of Montreal opened offices in Paris, France, with a view to interesting French capital in Canadian enterprises. On May 7th an important judgment was rendered by the Supreme Court at Ottawa in the stock case of Ames *vs.* Conmee, reversing the judgment of three lower Courts in Ontario, and declaring that: "The broker must at all times have on hand stock sufficient in quantity to deliver to his client upon the payment by the latter of the amount due by him upon the stock. The purchaser does not rely upon, nor does his right depend upon, an engagement with the broker to procure and furnish the shares when required, but upon the latter's duty and obligation to purchase and hold for the customer the number of shares ordered by the latter subject

only to the payment of the purchase price or such part of it as may be unpaid."

Canadian Banks and the Financial Crisis

Another outstanding feature of the financial situation in Canada during 1907 was the strength, stability and wise policy of the Banks. Early in the year the prospect of poor crops, the influence of bad weather in almost every productive part of the continent, the inflation of land values in the Canadian West, the gradual depreciation in value of many United States stocks, the continued and universal demand for money, and more money, warned the bankers of Canada that it was time to commence a curtailment in all lines of speculative business or industrial expansion. As a result of the Branch system, under which the Canadian Bank of Commerce possessed 168 branches stretching from Halifax to Vancouver with agencies in the chief financial centres abroad, the Bank of Montreal 129 branches, the Union Bank of Canada 130, the Royal Bank of Canada 80, the Molsons Bank 60, the Imperial Bank of Canada 61, the Merchants Bank of Canada 117, the Traders Bank of Canada 73, and so on down the list, experienced bankers such as Messrs. Walker, Clouston, Wilkie, Balfour, Strathy, Coulson, Pease, Hebden and others, were able to test and understand the pulse of national and international conditions in a way which was practically impossible for the self-centred bankers of New York, or Philadelphia, or Chicago. Customers were therefore warned early in 1907 to restrict their financial operations, to hold in check their otherwise legitimate desires for expansion, to lessen their own liabilities to the banks, and to restrict those of their own customers. It was done very gradually and slowly; no general trouble resulted and no panic took place; but when the difficulties in the United States developed Canada was found, as a whole, to be under close-hauled sails and the practical failure of the Sovereign Bank, following upon the collapse of the Ontario, caused no serious general effect. A tightening of money was the chief result. How this policy and the financial stringency operated upon the business of the Banks may be seen from the table which follows:

Bank Business.	January 31, 1907.	March 31. Following N.Y. Panic of March 14.	August 31. Following the August break in Prices.	November 30. Following the October Panic.
Total Assets	$931,336,958	$943,695,386	$950,160,583	$934,533,671
Total Liabilities..	757,334,421	765,737,503	773,370,268	756,055,551
Capital Stock Paid-up	96,051,689	95,933,726	95,651,691	95,944,826
Reserve Fund ...	69,396,431	69,716,655	69,748,293	70,534,757
Notes in Circulation	68,219,717	76,346,013	76,562,811	84,452,899
Specie and Dominion Notes ...	66,901,425	65,404,509	70,705,942	76,837,549
Deposits	575,556,984	567,937,052	586,186,826	569,431,993
Deposits elsewhere than in Canada	62,314,062	63,133,226	55,604,924	54,818,589

	January 31, 1907.	March 31, Following N.Y. Panic of March 14.	August 31. Following the August break in Prices.	November 30. Following the October Panic.
Call and Short Loans in Canada	$ 53,979,494	$ 52,676,592	$ 47,765,531	$ 45,733,765
Call and Short Loans elsewhere	53,079,637	51,342,792	62,088,232	41,198,293
Current Loans in Canada	550,938,838	579,057,554	580,075,932	570,896,776
Current Loans elsewhere	36,016,552	33,305,188	25,033,806	23,576,315

Between Jan. 31st and Nov. 30th, the period in which the most notable financial developments occurred, the bank notes in circulation increased by $16,000,000—partly for the movement of the crops but partly also dating from the end of March; the call and short loans in Canada decreased by $8,000,000 and outside of Canada by $12,000,000; the current loans in Canada decreased by $20,000,000 and elsewhere than in Canada by $12,000,000. It will be noticed that as the United States storm grew more pronounced the Banks steadily increased their supplies of specie and Dominion of Canada bills. The decrease in liabilities was naturally followed by a decrease in total assets while the large decrease in current loans was followed by a small decrease in deposits and affected also by the buying of low-priced stocks for investment purposes. This general statement shows how thoroughly the Canadian banking system could and did meet the situation; how independent it was of the irrational United States system and currency; how wise the much criticized action of the Banks was before and after the critical periods of the year. The total volume of business, despite banking restrictions and "tight money" did not decrease in Canada. In practically every United States centre the bank clearings of the year showed a change for the worse—in December a decrease of 30 per cent.; in all Canadian centres there was an increase. The following table shows Canadian conditions in this respect:

Bank Clearings.	1905.	1906.	1907.
Montreal	$1,324,313,000	$1,533,597,600	$1,555,712,000
Toronto	1,047,490,701	1,219,125,359	1,228,905,517
Winnipeg	369,868,179	504,585,914	599,667,576
Halifax	89,251,562	91,837.507	93,587,138
Hamilton	68,385,601	78,480,620	88,104,108
St. John	52,836,333	60,024,760	66,150,414
Vancouver	88,460,391	132,606,358	191,734,480
Victoria	36,890,464	45,615,615	55,330,588
Quebec	86,389,081	92,934,213	107,460,897
Ottawa	121,215,777	135,866,734	156,527,805
London	50,429,511	57,863,782	65,760,473
Calgary	.....	.....	69,745,006
Edmonton	.....	.....	45,716,792
Totals	$3,335,530,600	$3,952,538,462	$4,324,402,794

In one respect the Banks suffered though the effect was no doubt temporary. Their stocks shrank in value in sympathy with the general shrinkage throughout the world and there was a check upon popular investments. A September estimate placed the total depreciation to date at $17,670,000 in the stock of 17 banks traded in upon the Montreal and Toronto stock exchanges. It was a paper shrinkage of course and not a serious matter to the great mass of permanent shareholders but it showed how general was the stock depression of the year. As the earnings of many of these institutions for years had been 15 per cent. or more, with dividends, in at least ten cases, of 10 per cent. or over, they could well afford such a temporary disturbance in stock values. In April, 1907, for instance, the market value of $100 stock of the Bank of Montreal was $255; the Bank of Hamilton $212; the Nova Scotia $290; the Bank of Ottawa $222; the Bank of Toronto $232; the Dominion $240; the Imperial $220; the Molsons $212; the Royal $237; the Standard $225. An incident of the year was the almost dormant condition of bank capital. Where in 1905 and 1906 there had been millions of an increase and a rush to establish new institutions there was in 1907 little change in the total although the authorized non-subscribed capital increased from $117,646,666 on Jan. 31st to $139,966,666 on Nov. 30th. The tightness of money was, no doubt, a cause, but on the other hand, the lack of capital might be described as a cause of the shortness of money.

A word must be said as to the criticisms freely showered upon the Banks during this period. One journal compared the restrictions in loans and the lending of money in New York to a condition where the producers of meat or makers of flour combined to starve the people at home so as to sell their products abroad at a greater price. The assumption was freely made that the depositors in banks were also the borrowers of the country and that the people were being deprived of "their own money" when municipalities seeking a loan for doubtful propositions of public ownership, industries asking money for purposes of what would have been legitimate expansion under normal conditions in the money market, or business concerns asking favours which the special situation rendered risky, were refused. Bankers were denounced for not preparing to meet the conditions of current expansion by preliminary increases of capital and the fact overlooked that large increases had taken place in recent years, that a considerable total of authorized stock was actually available should its issue be warranted, and that new institutions had not found it easy to get their already-issued stock taken up. By these critics increased reserves, piled up during an anxious period to meet eventualities which fortunately did not occur, constituted an injury to the public instead of being a benefit which helped to stamp the whole banking system of Canada as remarkably stable

and strong. It was forgotten also that the decrease in bank deposits from Dec. 31, 1906 to Mch. 31st, 1907, caused in part by the use of the money in current development schemes as well as in speculative stocks, had been a drain upon the liquid resources of the banks.

Lack of currency to finance the crops was freely charged against the banks in the West as a cause of loss variously estimated at $15,000,000 more or less. Yet the chief causes of trouble were inferior products created by weather conditions, delays caused by transportation difficulties, and the mixing of speculative grain dealings with legitimate efforts at crop moving. The inevitable individual losses following upon tight money were all laid to the banks though there is no reason to doubt that in a general way Mr. F. H. Mathewson, the well-known Montreal banker, was measurably correct in his statement on Oct. 17th that: "We have no money to lend for stock or real estate speculation or that class of business, but I have yet to hear of a single case from Halifax to Vancouver where a merchant or manufacturer, entitled to further credit, could not get all the money he was entitled to to carry on his business. I think the bankers of Canada are entitled to credit for taking care of the business of the country as they are doing. The business men of Canada are getting all the money they properly need to carry on their business, but it has been hard work for the bankers to get the money to carry on the growing needs of this country."

The investment of $50,000,000, more or less, in outside call loans—largely in New York—was a continuous subject of criticism during the year. The Bank of Montreal had for a long time kept large sums in this form and has claimed that it was necessary to have money thus readily available to meet any critical issue which might arise at home. Its total in call loans outside of Canada was $27,136,350 on Jan. 31, 1907; on Nov. 30, it was $21,976,136. The other chief institutions in this connection were the Bank of Nova Scotia with $2,863,434 at the former date and $3,147,977 at the latter; the Bank of British North America with $5,895,002 and $4,652,943 respectively; the Merchants with $3,938,736 and $2,988,258; and the Commerce with $7,139,722 and $6,191,132 respectively. Many asked why these large funds were not brought back at this time of stringency and utilized to relieve the situation in Canada. The Winnipeg *Tribune* and *Telegram* and various other Western papers were vehement in their comments as was the Toronto *World*. It may be assumed that keeping the money in New York was profitable —perhaps very much so and that the profit came into Canadian hands and Canadian incomes. It is clear that a good many millions were actually brought back when required.

How far these moneys could properly be called a liquid reserve was another question. They were so claimed by such a

recognized authority as Mr. E. S. Clouston who stated at the annual meeting of the Bank of Montreal on Dec. 2nd that: "If to-morrow we were to call in the whole of our loans of this class, which are at all times immediately available, the mercantile public of Canada would derive absolutely no benefit from the action. Being a portion of our reserves, the choice given the Bank is between retaining the money unproductive in its vaults, or lending it at call upon interest in foreign financial centres. We adopt the latter alternative as being in the interest not alone of the shareholders, but of the commercial community of Canada." Mr. Robert Rogers, Minister of Public Works in Manitoba, took the semi-popular view and urged Parliament to take up the question and force the banks to return this money to Canadian channels of investment and trade. Speaking to the press on Oct. 7th he declared that these millions of money "ought to be used in Canada to assist in the development and building up of our legitimate enterprises and industries—many of which are now starving for the want of reasonable banking facilities." Mr. R. A. Pringle, M.P., in an interview on Aug. 22nd lumped the current and call loans "elsewhere than in Canada" and pointed out that this $78,000,000 nearly equalled the paid-up capital of the banks. This total, it may be added, had reached in other periods as high as $100,000,000.

The actual situation during the critical season of 1907 showed on Jan. 31 outside deposits in Canadian banks—chiefly from United States—of $62,000,000 as against call and current loans, outside Canada, of $89,000,000. This left a net use or investment of $27,000,000 abroad and on Nov. 30th the net total was only $10,000,000. There had been a reduction of $25,000,000 in the loans "elsewhere than in Canada" while all but $8,000,000 of the deposits from abroad had been retained. As to the comparison of this employment of money in New York and other places with the paid-up banking capital the answer was that these loans abroad were only 8 per cent. in 1907 of the total assets of the banks and that they had decreased from 10 per cent. in 1906 and 12 per cent. in 1901. As to the question of banking reserves it is a technical one and has in the end to be left largely in the discretion of the bankers who have made the subject a careful study. It was easy, however, for the growing popular hostility to corporations to reflect itself in criticism of the banks at critical junctures such as that of 1907 and even a paper as responsible as the Toronto *Globe* stated on Nov. 4th that: "Our banks have been so eager to build up their reserves and increase their holdings of gold that they have been denying needed accommodation to the general business community. It is known that bankers of late have not been trying to do business, but to avoid business, and that loans have been refused which would have been made eagerly a year ago. All this, so far as absolute safety is concerned, may be satisfactory from the stand-

point of the banker, but the public will not regard it as properly serving the purposes for which the banks have been chartered."

In this utterance the paper reflected considerable public opinion. A reply to this and other criticisms—apart from facts already given—was the remark of Sir G. A. Drummond in his Presidential address to the Bank of Montreal that "when a conflagration is raging next door it is proper to act with caution and reserve." And in 1907, as in other periods, the public of Canada while criticizing the Banks paid them the highest of all compliments by showing complete confidence in the system as a whole. It may be added that in the building up of reserves there had been steady progress of late years as shown in the imports and exports of coin and bullion. The total imports, 1897 to 1907, were $73,673,465; the total exports $52,485,915. The last official year was made up of only 9 months but the export figures were the largest in Canada's history—$13,189,964. This was, no doubt, due to the extraordinary conditions in New York. Added to the export of 1906 the total was $23,118,792 as against a total import in the same period of $14,595,611.

While the banks had so greatly influenced the financial situation in the country during the year they in turn were somewhat affected though not, apparently, in the most important matter of their profits. The expansion through new branches received a check as did the expansion in paid-up capital. The Sovereign Bank troubles came as a reminder that mistakes can be made in the best-managed of systems and that too much competition is dangerous in banking as in every other business. The year 1906 had been an exceptional one in the matter of bank profits and Mr. B. E. Walker, in his able annual presentation of the country's financial position, had warned his own shareholders not to expect a continuance of such high profits. Yet the earnings in 1907 of the Commerce were a trifle greater than in the preceding period. The following table indicates the individual position of some of the Banks:*

Bank.	Profits, 1906.	Per cent. on Paid-up Capital.	Profits, 1907.	Per cent. on Paid-up Capital.
Commerce	$1,741,125	17·41	$ 1,752,349	17·52
Dominion	539,360	17·97	635,235	17·80
Hamilton	371,251	15·06	384,708	15·57
D'Hochelaga	347,504	17·37	449,794	18·50
Imperial	535,786	16·50	719,029	16·26
Merchants	740,398	12·34	961,660	16·02
Metropolitan	140,579	14·05	147,819	14·78
Molsons	434,668	14·48	544,038	16·95
Montreal	1,797,976	12·48	1,980,138	13·75
Ottawa	425,238	14·42	443,288	14·77
Quebec	295,036	11·80	300,011	12·00
Royal	604,495	17·11	742,034	19·02
Standard	175,652	17·42	251,618	17·82
Toronto	544,296	14·69	586,635	14·70
Traders (May 31)	396,231	13·21	522,832	12·01
	$9,089,595		$10,421,188	

*Condensed from elaborate figures supplied to the *Financial Post*, Toronto

This record for fifteen out of 28 Canadian banks seems a pretty clear indication of the prosperous state of the system. The total for all the Banks was about $14,000,000. Incidents in the progress of institutions not mentioned in the above list were more or less important. The earnings of the Home Bank of Canada for its first full year, ending May 31st, were at the rate of 9·73 per cent. and it paid a dividend of 6 per cent. The British North America had profits of 9·70 per cent. for the half-year. Its shares were notable as being chiefly held in Great Britain and as carrying, under a special Act, no double liability. The Bank of Hamilton concluded a ten years' record in 1907 which showed a capital increase of 97 per cent., a Reserve increased by 240 per cent., and deposits increased by 278 per cent. The Eastern Townships Bank had the most successful year in its history and paid a dividend of 8 per cent.; La Banque Nationale earned 17·01 per cent. as compared with 13·05 in 1906 and its deposits and loans both increased during the year; the Bank of New Brunswick showed a reserve in excess of its capital and paid the highest Bank dividend in Canada (12 per cent.) while its stock reached $272; the Bank of Nova Scotia had earnings in 1906 of 23·89 per cent., its shares at their highest point in 1907 sold at $293 and it was said to have sent $6,000,000 of gold to New York in November and December and to have made heavy profits by the transaction. The business of the Northern Bank increased considerably both in deposits and commercial loans; La Banque Provinciale increased its dividend in 1907 and added largely to its deposits; the United Empire Bank, in its first year, increased its deposits from a small sum to $671,855 and its commercial loans to $1,223,173; the Western Bank of Canada which earned 16·43 per cent. in 1906 continued its dividend of 7 per cent. and increased its deposits; the Traders Bank experienced a notable addition to its deposits. As compared with the figures of the preceding year the general banking statistics of Canada during 1907 showed a total decrease in call loans of $28,000,000 and an increase in all current or commercial loans of $6,000,000 with a decrease of $42,000,000 in the total deposits. The figures were as follows:

	Dec. 31. 1906.	Dec. 31, 1907.
Total Assets	$954,192,546	$921,257,975
Liabilities	782,656,528	743,694,782
Paid-up Capital	95,509,015	95,995,482
Reserve Fund	69,258,007	70,901,232
Call and Short Loans (Canada)	57,511,747	44,501,112
Call and Short Loans (elsewhere)	58,958,156	43,509,229
Current Loans in Canada	548,684,480	556,588,451
Current Loans (elsewhere)	36,474,231	22,928,188
Notes in Circulation	78,416,780	77,504,398
Deposits in Canada	590,908,664	559,811,490
Deposits from outside Canada	64,191,182	53,407,076
Specie and Dominion Notes	68,018,904	75,083,334

Bank Changes, New Branches and Appointments

Two financial incidents of the year must be referred to in this connection—one personal, the other general, but with a certain personal touch in it also. At the annual meeting of the Canadian Bank of Commerce (Jan. 8th) important changes in the management were announced. The Hon. George A. Cox, after 17 years' service as President of the institution announced his retirement, foreshadowed his leaving others of the 28 Boards upon which he sat as President or Director, and intimated his intention of giving more time to the Presidency of the Canada Life Assurance Company with which his career had commenced and been so closely connected. Mr. Byron E. Walker, whose reputation as a banker had become wider than the Dominion and who had held the General-Managership since 1886, succeeded Senator Cox as President and was in turn replaced by Mr. Alexander Laird who had served fifteen years in New York as General Agent of the Bank and had been Assistant-General-Manager for the past four years.

The Sovereign Bank of Canada held a prominent place before the public during the year but its early troubles had no connection with the general financial situation. More than is usually the case this institution was the creation of one man. Energetic in character, fertile in plan, popular in personality, Mr. D. M. Stewart, its General-Manager, had built up since 1903 a large volume of business and, despite whispers of pessimism and criticism of his methods, the year 1906 showed in figures an almost phenomenal prosperity. Large additional capital was obtained through investment in its stock by the Dresdner Bank of Berlin and J. P. Morgan and Company of New York. On April 2nd, 1907, however, it was announced rather suddenly that Mr. Robert Cassels of the Commerce was to resign and become Chief Inspector with Mr. A. H. B. Mackenzie, also of the Commerce, as Inspector. Mr. L. P. Snyder, who retired from the latter position, became Superintendent of Agencies. There were many rumours as to the condition of the Bank at this time and, on May 1st, a meeting of the Directors announced further and more revolutionary changes. Mr. Randolph Macdonald resigned the Presidency and accepted the position of Vice-President; Mr. D. M. Stewart retired from the Board and was granted leave of absence while (May 6) Mr. F. G. Jemmett, who had been for twenty-two years in the service of the Commerce, was appointed Joint General-Manager; on May 21, Mr. Stewart severed his connection entirely with the Bank and Mr. Jemmett succeeded to full powers, with Mr. Cassels as Assistant-General-Manager; Mr. Æmilius Jarvis, meantime, accepted the Presidency. A determined and able effort to save the Bank followed and lasted through all the troubles of the year until in January, 1908, the struggle had to be abandoned. On June 11th the 5th annual

Mr. Byron E. Walker, D.C.L.

Elected President of the Canadian Bank of Commerce in 1907.

Mr. Alexander Laird.

Appointed General Manager of the Canadian Bank of Commerce in 1907.

Report had been made public covering the year ending April 30, 1907, and including Mr. Jemmett's drastic proposals for reorganization as follows:

> I have to recommend that there be written off for bad debts $700,655.91; for depreciation in Securities $150,607.95; and for reduction in Bank premises and furniture $48,109.25. In addition to the foregoing the sum of $541,494 should be set aside in Contingent Fund for accounts which are in liquidation, or in which there is a large element of doubt, and a further Contingent Fund of $800,000 should be provided in respect of certain unsatisfactory advances, the outcome of which, at present, is by no means clear. To do this it will be necessary to appropriate the whole of the Rest Fund, leaving the Bank with a paid-up capital of $3,000,000. After this has been done there will remain $25,252.50 to carry forward in the Profit and Loss Account of the current year. There is no question that this result will be a great disappointment to the Board and it is with much regret that I find it my duty to advise you to this effect. My course, however, was clear—to take the facts as I found them and inform you as promptly as possible of the real condition of the Bank.

Mr. Jemmett, in a following address, declared his belief that the proposals outlined would place the institution upon a reasonably sound basis; and it is probable that such would have proved the case under normal general conditions. "Now," he said, "that we know our exact position and that our assets on their present valuation are on as sound and clear a basis as any bank could possibly desire, I have no doubt that the Bank will again make steady and continuous progress." He went on to say that the institution had "piled up its figures at an extraordinary rate, and it has paid the natural penalty for attempting to grow too fast and for departing from the beaten paths of experience, which in banking more than any other business it is most necessary to follow. But the losses which have been made are far too heavy to be explained in this way, and I ought perhaps to say that in many cases loans have been made for which sound banking principles offer no apparent justification." Later on in his remarks Mr. Jemmett reiterated his hopeful estimate of conditions: "As I have said in my report I am sure that the Bank is now on a thoroughly sound basis, that you know the worst of it and that you need have no apprehension regarding the future. . . . We are now making a new start. We have a paid-up capital of $3,000,000 all of which is absolutely intact. We have deposits amounting to more than four times our capital, and in these and in the excellent business connections at home and abroad which we have, we possess an extremely valuable asset. The country branches as a whole have been well chosen, and many of them have a business which is far more valuable than I could have anticipated." The institution struggled through the varied difficulties of the year while Mr. Stewart carried his organizing skill and enthusiasm into private business as a broker in Montreal. A popular, though certainly not a financier's view of his banking

career, was put by Mr. J. T. Clark in *Saturday Night* (June 29) as follows: "There is scarcely a business man in Canada from the Atlantic to the Pacific who is not enjoying improved banking facilities, thanks to Duncan M. Stewart who recently retired from the general managership of the Sovereign Bank. He loosened up one of the tightest businesses that ever existed. He revolutionized banking in Canada and worked the change in about three years. In that short space of time his activities in the field of banking caused every bank manager in the country to reconsider the question as to what his attitude should be towards his customers." The condition of the Bank at different stages in the year was as follows:

Particulars.	Dec. 31, 1906.	June 30, 1907.	Dec. 31, 1907
Specie and Dominion Notes	$ 1,200,385	$ 1,464,340	$ 664,095
Govt., Municipal and Ry. Securities	1,791,039	2,289,335	2,271,734
Call Loans in Canada	5,549,459	2,589,916	2,246,004
Current Loans in Canada	16,498,522	12,595,216	10,771,366
Current Loans elsewhere	1,550,009	1,300,140	1,458,898
Capital Paid-up	3,976,320	4,000,000	3,000,000
Reserve Fund	1,255,950	none	none
Notes in Circulation	2,497,770	2,066,495	1,988,585
Deposits in Canada	17,588,205	12,809,940	11,002,694
Balances due in United Kingdom or elsewhere abroad	3,009,271	3,468,669	2,962,691
Total Assets	29,208,311	21,821,823	19,218,746
Total Liabilities	23,873,631	18,787,450	16,174,408

The rapid increase of Bank branches in Canada had been a matter of uneasiness in some quarters and of public criticism in others during the past two or three years. Excellent as was the general banking system it could, of course, be abused and the competition of small offices in small places where there was really only room for one branch had become excessive. There were two sides to the question, however. The expansion gave banking facilities, or the courtesies of competition, to an immense number of communities which in normal conditions would have done without one or the other; the Banks got increased deposits which were needed in the development of the country. There was a very considerable reduction, however, in the 161 organized during 1907 as compared with 402 in 1906.

The Bank of Hamilton opened at St. Albert, Alta., and Tuxford, Sask.; La Banque d'Hochelaga opened at Berthierville, Laprairie, Verdun and Viarwille in Quebec; the Northern Bank started in Govan and Nokomis, Saskatchewan, and at New Westminster, B.C. Its sub-agency at Blackfalls, Alta., was closed. The Royal Bank of Canada opened at Bowmanville, Ingersoll, Niagara Falls Centre, Ottawa (Market Branch) and Welland in Ontario; at Regina, Sask., and at Alberni, Kelowna, Vancouver (2), North Vancouver, Port Essington and Port Moody in British Columbia. It also added Mayari to its 8 branches in Cuba,

and opened at San Juan in Porto Rico. La Banque Nationale opened in Paris, France, with the announced object of improving the financial and trade relations of the two countries. The Dominion Bank opened at Berlin, Hamilton, Ottawa and Victoria St., Toronto; at Bleury St., Montreal, at Strathcona, Alta., and at Vancouver, B.C. The Bank of Ottawa established branches at Cobalt, Ont., and Bridge St., Hull, and sub-agencies at Moose Creek, Ont., St. Andrew's, Que., and in Peterborough, Ont.; and the Provincial Bank of Canada opened at Three Rivers, Lachine, St. Cesaire, Gentilly and Ste. Martine—all in Quebec. The Crown Bank of Canada opened at Florence, Hintonburgh, Inwood and Kleinburg in Ontario; and the Bank of Nova Scotia at Barrie, Welland and St. Catharines in Ontario, at New Richmond and Quebec in Quebec and at Regina, Sask. It closed its branch at St. Mary's, N.B., and at Port of Spain, Trinidad; added Cienfuegos, Cuba, and Mandeville and Port Marie, Jamaica, to its four West Indian branches; and established an agency in New York.

The Merchants Bank of Canada established branches at St. Josika, P.Q., Douglas, Ont., Osborne, Sask., Victoria, B.C., Tofield, Alta., Granton, Ont., Lethbridge, Alta., Rigaud, P.Q., and closed its agencies at Shoal Lake., Man., Alix, Alta., and Forget, Sask. The Traders Bank opened at Stratford Station and Yonge and Bloor Sts., Toronto; the Standard Bank at Cobourg, Grafton, Strathroy and Dalhousie St., Ottawa; the Home Bank at Bloor and Bathurst Sts., Toronto; La Banque de St. Jean at Chambly Basin, P.Q., and the Bank of Montreal at Medicine Hat, Alta., and Charlottetown, P.E.I., with sub-agencies at Chilliwack and Summerland, B.C., Rosenfeld, Man., Westminster Ave. Vancouver, Hull and St. Roch's, P.Q., Marysville, N.B., Dundas St., Toronto and Magrath, Alta.

The United Empire Bank opened at Belleville, Galt, Cobourg, Hamilton (2), Islington, and Stirling—all in Ontario; the Metropolitan added Brighton, Cobourg, Maynooth and Wooler to its Ontario branches; the Molsons opened at Lachine Locks and Richmond in Quebec; the Bank of Toronto opened at St. Lambert, Que., Bradford, Colborne, Hastings, Dundas Street and Yonge Street, Toronto, in Ontario and closed its branch at Rossland, B.C.; the Union Bank of Canada opened at Ottawa, Englehart, Roseneath and Wheatley, in Ontario, at Winnipeg (2) in Manitoba, at Cochrane, Alta., Asquith and Lanigan, Sask., and at Vancouver, B.C.; the Sterling Bank of Canada opened at Montreal and at Verner, Toronto Junction, Jordan Station and Haliburton in Ontario. It closed its branch at Cookstown, Ont. The Imperial Bank opened at Athabasca Landing, in the East End of Calgary, at Fort William and Port Arthur (one branch) and at Bloor St. and Lansdowne Ave., Toronto; the Commerce opened at Creston, Mission City and Prince Rupert in British Columbia,

at Hardisty, Alta., at Drinkwater, Lanigan and Nokomis in Saskatchewan, at Durban and Kenville in Manitoba. The branch at Atlin, B.C., was closed. The Union Bank of Halifax opened at Dominion, N.S., and closed at Whitney Pier, N.S. The Western Bank of Canada established sub-agencies at Innerkip and Hickson in Ontario and the Eastern Townships opened at Ayers Cliff, Beebe Plain, Eastman and Bromptonville in Quebec and at Keremeos, B.C.

The Farmers Bank of Canada opened for business on January 2, 1907, and established branches during the year, or at the close of 1906, at Athens, Belleville, Bethany, Burgessville, Camden East, Cheltenham, Fingal, Hawkestone, Hillsdale, Kerwood, Kinmount, Milton, New Toronto, North Claremont, Norval, Pontypool, Sharbot Lake, Southampton, Springford, Stayner, Stouffville, Trenton, Wallacetown, Williamstown and Zephys, with sub-agencies at Allenford, Beachville, Brown Hill, Craighurst, Dunsford, Jarretsville, Nestleton, Shannonville, Spring Brook—all in Ontario. This institution obtained the co-operation during 1907 of some English gentlemen who constituted a London Committee and Lord Templetown, an Irish peer, accepted the position of Hon. President of the Bank. Its general statement issued on Dec. 31st, 1907, showed a paid-up capital stock of $445,060, deposits of $647,506, Call and Short loans of $154,556, Current discounts of $554,893 and assets and liabilities totalling $1,362,441. Dr. W. Beattie Nesbitt of Toronto was President, Lieut.-Colonel James Munro, M.P.P., of Woodstock, Vice-President, and Mr. W. R. Travers, General-Manager. A number of Banks decided during 1907 to increase their capital stock. The Directors of the Northern approved of an increase of $4,000,000; the Home of $1,000,000; the Toronto of $6,000,000; the Imperial of $5,000,000; the Royal of $6,000,000; the Ottawa of $2,000,000.

An interesting feature of the situation during this particular year was the continued expenditure by the Banks—directly or through subsidiary companies—upon handsome buildings throughout the country. As a matter of banking business and permanent assets it was presumably good policy; as a matter of investment in a form not available for use in the general business of the country it was a debatable matter, which, curiously enough, was hardly referred to at all in the discussions of the year. The Bank of Montreal had spent recently large sums in improving its headquarters at Montreal; the Commerce was building during the year in Montreal at an estimated cost of $1,000,000 while its splendid lesser structures were dotted all over Toronto and the western map; the Traders building in Toronto was well known and a most profitable investment; the Bank of Montreal put up various buildings; the Eastern Townships erected one in Montreal. The Bank of Toronto spent $190,000 on new buildings in 1906 and

so on with a long list of institutions. The expenditures in this connection from year to year have never been made public but they must run into a total of many millions of a permanent investment—estimated by one banker at a total of $50,000,000 for the whole Dominion.

A few Banking incidents of the year must be mentioned. The Nova Scotia celebrated its 75th year of existence as a banking corporation and, incidentally, started the publication of a 24-page magazine edited and issued quarterly by its own staff in Toronto; there were negotiations for amalgamation between the Union Bank of Canada and the Quebec Bank and an actual union just after the close of the year between the Northern of Winnipeg and the Crown Bank. The Royal Bank of Canada transferred its headquarters from Halifax to Montreal after nearly 40 years' operation in the former place as the Merchants Bank of Halifax; the Traders accepted the resignation of its founder, Mr. H. S. Strathy, as General-Manager, and appointed Mr. Stuart Strathy to succeed him; the Home Bank of Canada presented a unique annual Report on May 31st which showed a total overdue indebtedness of only $355.89, call loans of $3,235,649 and current loans of $1,662,030; the Bank of Toronto celebrated its 50th anniversary and Mr. Duncan Coulson, its General-Manager, was banqueted on April 19th in recognition of his 50 years' connection with the same institution; and the Imperial increased its dividend from 10 to 11 per cent. In addition to the Sovereign changes already referred to, the following were the more important Bank appointments of the year:

Institution.	Position.	Appointment.
Canadian Bank of Commerce	President	Byron E. Walker.
Canadian Bank of Commerce	General-Manager	Alexander Laird.
Canadian Bank of Commerce	Director	Z. A. Lash, K.C.
Canadian Bank of Commerce	Director	E. R. Wood.
St. Stephen's Bank	Vice-President	J. G. Murchie.
Union Bank of Canada	President	Hon. John Sharples.
Union Bank of Canada	Vice-President	William Price.
Union Bank of Canada	Director	G. H. Thomson.
Union Bank of Canada	Supt. East'n Branches	F. W. Ashe.
Royal Bank of Canada	Vice-President	H. S. Holt.
Royal Bank of Canada	Director	Edson L. Pease.
Royal Bank of Canada	Director	W. H. Thorne.
Royal Bank of Canada	Director	G. R. Crowe.
Royal Bank of Canada	Director	D. K. Elliott.
Royal Bank of Canada	Ass't Gen'l-Manager	C. E. Neill.
Royal Bank of Canada	Ass't Gen'l-Manager	F. L. Sherman.
Bank of Toronto	Director	Duncan Coulson.
Molsons Bank	Director	G. E. Drummond.
La Banque de St. Hyacinthe	President	Hon. G. C. Dessaulles.
Dominion Bank	Director	James Carruthers.
Dominion Bank	Director	A. M. Nanton.
Dominion Bank	Director	John C. Eaton.
Dominion Bank	Director	H. J. Bethune.
Dominion Bank	Chief Inspector	E. A. Begg.
Dominion Bank	Secretary	E. H. Baines.

Institution.	Position.	Appointment.
Imperial Bank of Canada	Western Inspector	A. E. Phipps.
Bank of British North America	Director	J. H. Mayne-Campbell.
Farmers Bank of Canada	Director	Viscount Templetown.
Traders Bank of Canada	Director	H. S. Strathy.
Traders Bank of Canada	General-Manager	Stuart Strathy.
Traders Bank of Canada	Ass't Gen'l-Manager	N. Hillary.
Bank of Montreal	Director	Sir T. G. Shaughnessy.
Bank of Montreal	Director	David Morrice.
Farmers Bank of Canada	Director	Sir C. B. Euan-Smith.
Farmers Bank of Canada	Director	Henry Higgins.
La Banque Provinciale	President	H. Laporte.
La Banque Provinciale	Director	R. Forget, M.P.
La Banque Provinciale	Director	G. M. Bosworth.
La Banque Provinciale	Director	T. Bienvenu.
La Banque Provinciale	Chief Inspector	L. W. Forget.
La Banque Nationale	Director	Charles Pettigrew.
Merchants Bank of Canada	Director	Bryce J. Allan.
Merchants Bank of Canada	Director	F. Orr Lewis.
Montreal City & D's't S'v'gs Bk.	President	Hon. J. Alderic Ouimet.
Montreal City & D's't S'v'gs Bk.	Vice-President	Michael Burke.
Montreal City & D's't S'v'gs Bk.	Director	Hon. R. Dandurand.
Montreal City & D's't S'v'gs Bk.	Director	Hon. C. J. Doherty.
Western Bank of Canada	Director	Robert McLaughlin.
Northern Bank	Ass't-Gen'l-Manager	G. F. Mackenzie.
Eastern Townships Bank	Director	George G. Foster, K.C.

Efforts were made during the year to start some new Banks but they were quietly opposed by existing institutions and strongly criticized by financial papers. The most pretentious undertaking was that of the National Bank of Canada with headquarters at Winnipeg, a proposed capital stock of $10,000,000 and a scheme of operation under which a subsidiary concern called the Canadian Banking Corporation, Limited, of London, England, was to accumulate European capital as deposits and pour it into Western fields of investment and development. Mr. F. H. Malcolm made a desperate and determined struggle to establish this institution; obtained a large number of small stock subscriptions and the payment of a call for expenses; advertised lavishly and made a strong point of the financial stringency while alleging the indifference of Eastern banks to Western interests. His enterprise and his financial character were denounced by the *Monetary Times,* Montreal *Chronicle, Financial Post,* etc., and, eventually, the scheme collapsed. Before this occurred, however, a stormy meeting of shareholders was held at Winnipeg on Oct. 26th and a number of prominent men elected Provisional Directors—most of whom afterwards resigned or stated that the use of their names had not been authorized. When the " promotion " ceased it was found that $16,886 had been paid in by shareholders out of a total subscription of $101,600 and that the total expenditures were $21,224.

The Monarch Bank of Canada promotion also came to an end in 1907. Started originally by Mr. Marshall Ostrom he was compelled to retire early in the year from the preliminary management and Mr. A. L. Dewar, formerly of the Commerce, took his

place. Toward the close of the year a Bank of Vancouver project (capital $2,000,000) was initiated and its stock advertised in that city under the auspices, it was said, of Mr. Dewar who intended to combine it with the Monarch project. His name did not appear, however, in the list of Provisional Directors which included J. E. Durand and J. A. Cameron of Victoria and A. O. McColl, C. N. Vanhorne and J. W. Morrow of Vancouver. In November applications to Parliament for charters were announced for this institution, the Bank of Edmonton, the Bank of Winnipeg and the Chartered Bank of British Columbia. Particulars of the Edmonton project and of an also proposed Bank of Halifax, and Bank of Paris and London did not become public but the Provisional Directors of the Bank of Winnipeg were announced as being C. F. P. Conybeare, K.C., of Lethbridge, W. E. Seaborn, Moose Jaw, Frank Denton, K.C., and R. H. Matson, Toronto, Horace Chevrier and C. H. F. Bell, Winnipeg. The proposed Chartered Bank of British Columbia was also announced and its stock freely advertised in that Province. Its Provisional Directors consisted of T. W. Paterson, J. G. Mitchell and F. W. Jones of Victoria, W. H. Malkin, R. P. McLennan and H. P. Ceperley of Vancouver and J. A. Harvey, K.C., of Cranbrook with G. H. Cowan, K.C., of Vancouver as Solicitor. It may be added that the annual meeting of the Canadian Bankers Association was held at Montreal on Nov. 14th with 24 bankers in attendance. The officers elected included Lord Strathcona and Mr. George Hague as Honorary Presidents; Mr. E. S. Clouston of the Bank of Montreal as President; Messrs. D. Coulson, Bank of Toronto, George Burn, Bank of Ottawa, H. Stikeman, Bank of British North America and M. J. A. Prendergast, Banque d'Hochelaga, as Vice-Presidents; and Mr. J. T. P. Knight as Secretary-Treasurer with a large Council composed of other General-Managers.

The Canadian West and the Financial Situation

Dependent as it so largely is upon outside capital the great developing West of the Dominion suffered conspicuously during 1907 from the stringency of money. There were other causes of trouble and some of them contributed to the stringency rather than being caused by it. Early in the year the Railways were still battling with unusually severe elements of ice, snow, storm and cold; the movement of freight was seriously hampered and the amount of grain left unsold in April was said to be the greatest on record; many farmers had not realized upon their 1906 crop and would not do so for months to come; the rush of settlers continued and grew in numbers too rapidly for comfortable assimilation; a scarcity in live-stock, caused by the severe winter, helped in turn to raise the price of meat; a belated spring aroused fears as to the wheat crop which the succeeding bad weather kept continually before the minds of the farmer and the public; the certainty of poor crops grew greater (and more alarming than the

result justified) as the year went on; the calls upon the Banks for money from municipalities and projected industries increased and had to be more generally declined as the money tightness in the East devcloped; real estate speculation reached its limit and, fortunately for the country, though unpleasantly for many a budding city, was checked with a stern hand by the Banking interests.

With all these depressive conditions admitted, however, the progress of the West as a whole does not seem to have been really chccked. Inflation was stopped, land values were re-adjusted, municipal extravagance and spcculation of all kinds were restricted, if not entircly eliminated, from the financial situation. The process of events was, in fact, a necessary and inevitable adjustment which would have had to come later and in much more violent form—had there been no general tightness of money, caused by world-wide influences, but intensifying certain local conditions of financial dcrangement. Late in the season, and as if to meet the latcness and deficiency in the wheat crop, prices rose and it was cventually estimated that more would be realized from the grain crop as a whole than had been obtained from the larger one of 1906. By thc close of the year only 5,000,000 bushels less of wheat had bcen shippcd than in the preceding year despite the lateness of production and thc hampering lack of money. The Loan Companies in Manitoba reported thc year as having been satisfactory in the payments of both principal and interest and they had $5,000,000 invested in Provincial mortgages at the close of 1906; while the Insurance Agents and Companies reported a probable increase in both premium receipts and insurance written during 1907. In this general connection Mr. E. F. B. Johnston, K.C., of Toronto, on Sept. 13th, spokc some plain truths as to Western conditions and mixcd his praise and criticism in very even proportions. He considcred Winnipeg as "overdone" on account of its real estate spcculation and an allegcd lack of increase in actual wealth; regretted the declinc of ranching and thought Edmonton to be, for the moment, at a standstill while Calgary was seeking industries and appcared to be prospcrous; declared Vancouver to be the future great city of thc West because (1) of its position as the terminus of four great railways, (2) the tremendous natural resources of the Province, and (3) its oriental trade possibilities. Some of these, and other reasons, would have been equally powerful in application to either Winnipeg or Edmonton. Speaking as a Director at the annual meeting of the Union Bank, in Quebec on June 19th, Mr. E. L. Drewry of Winnipeg described Western sentiment at that juncture as follows:

> As you all know and I think realize weather conditions generally were the same the world over last winter. We had rather stormy and cold weather but we did not despair—the meaning of that word is not known in the West. If it is in the dictionary we cannot find it, and we do not care to know anything about it. Manufacturing in the West is

growing, too. I note by the statistical report that Winnipeg takes fourth place and it is growing by leaps and bounds. The municipal authorities are trying to introduce cheaper power. The crop prospects, as I take it, are very fair at the present time. I see nothing whatever to be improved, and I think the Bank's business is very satisfactory. Of course, one thing should not be lost sight of, and that is, that capital must come in. It is impossible to develop a large territory without capital. It is something like putting a strong and able young man without tools to work out his livelihood. New capital must come in there and it should be used merely for legitimate ends, for commercial enterprises, but not one dollar for speculative purposes in real estate.

The view taken by many thoroughly qualified observers during the year was one of warning coupled with optimism. The natural resources of all these Provinces were so vast and varied that serious pessimism was almost impossible. Mr. B. E. Walker, of the Bank of Commerce, speaking to the *Globe* on May 11th was almost prophetic in his utterance: "It is perfectly clear in any event, and it did not need this winter to tell us, that the West is spending, all the time, a great deal more than the people are receiving from their grain and cattle. If there is not at least a marginal contraction in the scope of improvement of all kinds, from settlers' houses to railway building, we cannot expect but that next fall we shall have a recurrence of the money tightness of this winter, except in so far as the trouble this winter was caused by the tie-up of grain. If we don't slow up in our expenditures we shall inevitably have tight money again." Sir W. C. Van Horne, at Winnipeg on Nov. 16th, declared that any depression existing was artificial and that the prosperity of the West was on too sound a basis to be seriously affected by present conditions. Mr. E. B. Osler, M.P., in the Winnipeg press on Oct. 9th, drew the attention of Western people to the fact that their deposits in the banks were out of all proportion to the large investments of the East in those Provinces through the very banks which were being criticized for the stringency. As to the West being really handicapped by existing conditions he deemed that impossible. Senator George A. Cox told the Winnipeg *Free Press* (Oct. 11) that the Canada Life Company had $7,000,000 invested in the West of which $1,250,000 had been placed during the first nine months of 1907. Mr. C. A. Bogert, General-Manager of the Dominion Bank, in the *Financial Post* of Oct. 19th, summarized the situation as follows:

These high prices mean a large amount of money for the farmer. The Western farmers will receive approximately more, or very little less than last year for their crops. The situation caused by the undue extension of credits is beginning to right itself. Every farmer is now being pressed for payment, whether he is indebted to the bank, the general store, the agricultural implement factory, or the loan company. He must necessarily bring his wheat to market at an earlier date than last year. The railways are in a much better position to handle it. The elevator companies and the exporting houses are alive to the necessities of the situation and the advantages of current prices and are now rushing the grain out as fast as it can be had. With funds already going into the

farmers' hands the benefit to the general community is now accruing. As regards the commercial situation the wholesale firms have been reducing their retail accounts, which have been far too large, and they are buying much more moderately. They are, generally speaking, already beginning to reduce their indebtedness to their bankers, and I venture to say the wholesale houses owe considerably less to the banks than three months ago. The process is reflected with the retail merchant, who has also found curtailment, and payments are not merely advisable but necessary. I return very much encouraged by what I saw of conditions in the West.

Meanwhile the Banks had been doing what was possible for the public and even the much-grumbled-at grain blockade in the autumn finally gave way before the combined exertions of banks and railways. As an indication of what had been done to provide business facilities it may be stated that in 1900 there were 97 bank branches in Manitoba and the Territories, in 1904 there were 172 branches, in 1906 the three Western Provinces had 377 branches, and in 1907 there were 457 as against 1,353 in all Canada—34 per cent. amongst the small and scattered population of the West. The enormous convenience of these facilities in developing settlement and business and transportation need not be enlarged upon. The normal demand, and the increase in the demand, for loans from these institutions always exceeded the increase in the Western or local deposits so that, in the truest sense, Eastern money was being freely used in this local development. At the same time all reports indicate that in 1907 much English money found its way into Western development. Mr. B. E. Walker stated on May 11th that there was "a large amount" then coming in; Mr. C. S. Morgan of London told the Victoria *Times* on May 22 that much of the "American" money coming into the West came from London *via* New York; the Winnipeg *Free Press* declared on Dec. 28th that thousands of pounds were reaching Winnipeg agents and that "a large amount of British capital is being sent into Western Canada, and especially Winnipeg, for investment in first-class propositions"; Mr. E. R. Wood, in his annual address on the Bond business of Canada, confirmed these opinions. Some facts and figures indicating the general position and progress of the Western Provinces may be recorded here in brief tabular form:*

Estimated value (†) of the total crop of Manitoba, Saskatchewan and Alberta over that of 1906..	1907	$ 21,000,000
Increased Bank Clearings in Winnipeg over 1906..	1907	94,000,000
Bank Clearings in Edmonton and Calgary	1907	115,461,798
Increased Bank Clearings in Victoria and Vancouver over 1906	1907	69,000,000
Value of manufactured products in West (including British Columbia)	1901	34,336,194

* NOTE—For some of these facts I am indebted to a splendid special issue of the Winnipeg *Free Press*, on May 16, 1907.

† NOTE—Toronto *Telegram* reports and analysis of returns Nov. 7, 1907.

Value of manufactured products in West (including British Columbia)	1906	$73,217,383
Men at work on Railway Construction in West during winter (estimated)	1907	10,000
Wages paid per month for construction during winter (estimated)	1907	500,000
Exports of Canadian products originating chiefly in the three Western Provinces	1906	63,000,000
Customs Revenue of Western Ports (Great Lakes to the Rockies)	1906	5,442,622
C. P. R. Land Sales year ending June 30	1906	6,513,452
Value of Municipal Improvements in 16 Western towns of over 3,000 population	1906	4,782,000
Value of new buildings, ibid	1906	23,479,080
Value of new buildings undertaken, ibid (estimated)	1907	25,625,000
Increase in Manitoba, Alberta, Saskatchewan—		
Nos. Horses . . . . . 1901 to	1906	342,590
" Horned Cattle . . . . . 1901 to	1906	1,001,973
" Sheep and Lambs . . . . . 1901 to	1906	121,915
" Swine . . . . . 1901 to	1906	238,673
Total Elevator Capacity, 4 Western Provinces (bushels)	1907	44,656,200
Elevator Capacity of Fort William, Port Arthur, and Keewatin (bushels)	1907	20,435,000
Investments of Loan Companies in Manitoba	1905	24,343,991
Investments of Loan Companies in Manitoba	1906	28,411,555
Investments of Life Insurance Companies in Manitoba	1905	11,500,000
Investments of Life Insurance Companies in Manitoba	1906	15,854,000
C. P. R. Expenditures upon improvements and extensions (Great Lakes to the Rockies) 1904 to	1906	25,800,000
Value of Cattle marketed in Manitoba, Saskatchewan and Alberta	1906	4,084,127

Canadian Bonds and Municipal Finances in 1907

Municipal securities have of late years been amongst the best of Canadian investments yet in 1907 they approached the condition of being difficult to dispose of. There seem to have been several reasons for this apart from the financial situation altogether. One was the number and variety of issues offered; another was a too general disposition to go into schemes of municipal ownership; still another was in the high prices frequently asked and expected. Then there was the better return to be obtained in other kinds of loans during the period of tight money. Whatever difficulties were felt in Canadian centres were infinitely more severe in United States cities and towns where, notably in New York and Boston, civic debentures were literally going a-begging. Lower prices prevailed generally as well as increased issues and the latter result was aided by a monetary condition in which the Banks had to refuse or restrict the overdrafts and local borrowings of the Municipalities. According to one estimate—necessarily very general in character—there were "undigested" municipal bonds in Canada during the Autumn of 1907 totalling $25,000,000. Yet these loans were

secured by the credit and property of municipalities in amounts far above their face value and they usually returned 5 per cent. interest! At this period, according to Toronto *Globe* figures, there were from five to eight millions more of unsold bonds on the market than in 1906. Something of this was due to reasons already sketched, something to popular ignorance of the value of these debentures, something to prejudices imported from the United States where distrust of municipal government was so general and conditions so different from those of Canada. Summed up, the year's business in bonds appears to have been a satisfactory one for the investor but a poor one for the municipalities—the depreciation in such issues averaging, according to the *Financial Post,* over 10 per cent. Some of the more important debentures and sales may be tabulated as follows:

Place.	Amount.	Rate.
Montreal	$ 275,000	4%
Vancouver	1,350,625	4%
"	315,825	4%
"	259,500	4%
Brandon	165,000	5%
"	180,000	5%
St. John	721,000	4%
Edmonton	815,487	4½, 5%
"	679,873	5%
Winnipeg	1,594,506	4%
Regina	180,000	4½%
"	90,000	4½%
London	271,553	4%
"	27,000	4%
London	$ 94,925	5%
Hamilton	197,000	4%
"	120,000	4%
Port Arthur	200,000	5%
"	95,000	5%
"	128,500	5%
"	78,500	5%
Calgary	111,000	4½%
"	100,000	4½%
Halifax	380,000	4%
Fort William	100,000	4½%
"	53,000	5%
Prince Albert	160,360	4½%

In this connection, Mr. E. R. Wood, Vice-President of the Dominion Securities Co., Ltd., made public in 1906 and 1907 a most valuable study of the bond situation in Canada. Mr. Wood, in analyzing the business for 1907, described the number of selling municipalities in the East as 99, with a total sale of $6,171,730 in bonds, and in the West as 39 with a sale of $8,258,810. The amount offered and unsold during the year was $4,320,909; the quantity required and preparing to be placed upon the market in 1908 was estimated at $18,000,000. Mr. Wood's comment upon the municipal situation was as follows: "The weakest feature of the municipal situation is the willingness of municipalities to assume indebtedness and especially for undertakings of a general public service nature. Such debt is assumed without recognition of the fact that its swelling total must lead to increasing rates to compensate for the increased rise of the bonds as investments. The present large rise in interest rates obscures this inevitable result. It will appear when interest reaches a level again." As to other bonds the following figures were given in comparison with three preceding years:

Year.	Corporation Bonds.	Municipal Bonds.	Provincial Bonds.
1904	$ 9,344,000	$13,759,247	$11,146,000
1905	125,497,284	9,031,160	346,087
1906	35,694,000	9,087,008	9,206,000
1907	58,931,200	14,430,540	9,274,000
	$229,466,484	$46,307,955	$29,972,087

There were influences other than those already mentioned which affected considerably the price and interest rate of Canadian bonds. High-class stocks ruled in their prices during part of the year above Municipal securities; the increasing debt of Canadian municipalities and the engagements projected by Ontario towns in connection with the Hydro-Electric Power project; the growing reluctance of financial institutions such as Insurance Companies to increase their bond holdings; the effort by would-be borrowers to place securities on the London market after some style of their own and in imitation of sharp American methods, or in a form different from that to which the conservative British broker, with gilt-edged securities coming to him from all parts of the world, was accustomed to and could dictate; the natural, though now rapidly diminishing, tendency in Europe to mix up Canadian municipalities with those which, in the United States, from time to time repudiate, or fail to meet, their obligations. It may be added that the chief corporation bonds of a public service character sold during the year (including three concerns outside of Canada but controlled by Canadian capitalists) were as follows: Canada Southern Railway (old bonds extended), $14,000,000; Canadian Pacific Railway (debentures), $12,500,000; Canadian Northern Railway, $6,000,000; Puebla Tramway, Light & Power Co., $6,000,000; Grand Trunk Railway (debentures), $5,000,000; Rio de Janeiro Traction Co., $4,661,200; Canadian Northern Railway (equipment bonds), $3,625,000; Cape Breton Coal, Iron & Railway Co. (reorganization), $2,600,000; Shawinigan Water & Power Co., $1,750,000; Dominion Power & Transmission Co., $1,650,000; West Kootenay Power and Light Co., $1,500,000; British Columbia Electric Railway (debentures), $1,500,000; Montreal Street Railway, $1,000,000; Maritime Coal, Railway & Power Co., $1,000,000; Richelieu & Ontario Navigation Co., $1,000,000; Porto Rico Railway Co., $800,000; Levis County Railway (reorganized), $500,000; Montreal Water & Power Co., $350,000; St. John Railway, $250,000; Niagara Navigation Company, $110,000; Dartmouth Electric Company, $100,000.

British Investments in Canada; Canadian Investments Abroad

Canada is to an ever-increasing degree dependent upon British capital. It is not invested here with blare of cannon and the flare of sensational advertising; nor does it come so largely in the form of personal investment in specific undertakings as does United States capital. It is, however, infinitely larger in its proportions and more effective along the lines of organ-

ized development. According to an authoritative article in the *Quarterly Review* during the summer of 1907 the market value of British investments in Canada was then £262,400,000 or $1,312,000,000 as compared with £116,600,000 or $583,000,000 in 1897. The details were given as follows:

Particulars.	1897.	1907.
Government Stocks	£ 34,500,000	£ 46,100,000
Railways	61,000,000	158,000,000
Corporation Stocks, Banking, Financial, Lands, etc.	13,300,000	29,300,000
Mines	1,000,000	3,000,000
Miscellaneous	6,800,000	26,000,000
Total	£116,600,000	£262,400,000
Total	$583,000,000	$1,312,000,000

Comparatively, this investment was not as large as the amount of British funds put into South Africa and Australia but the enormous and long-developed mines of those countries and the fact that their Banks have always been controlled by London capital explain much more than the difference. Curiously enough, and contrary to the universal impression in Canada, British investments in the United States were only valued at £449,500,000 or $2,247,500,000 in 1907 and were not twice as great as the Canadian total despite the enormous discrepancy in population, wealth, business and developed resources of the two countries. The fact was that Canada had become the favourite field of the British investor and his stable influence was being felt in every branch of effort. The United States was now rapidly giving way to Canada in this respect; South Africa, since the necessary investments of the War period, had ceased to be a serious competitor for new capital; Australia in nine years had only received $108,000,000 of additional capital.

About the same time that the article quoted above appeared Mr. E. R. Wood, the Canadian financier, pointed out that listed securities in London did not fairly or fully represent the value of British holdings in Canada. "Besides the interest of British investors in private and unlisted corporate undertakings they hold large amounts of unlisted municipal debentures. In 1906, alone, they purchased some £200,000 of such unlisted municipal obligations. Shares and debentures of Canadian financial institutions are further Canadian securities not listed in London, but which British investors hold in large amounts. In the debentures of Canadian Loan Companies, only, they hold $43,585,832. These obligations are payable on brief notice and on account of the notice requirement bear a higher rate of interest than deposits." This latter investment had increased from $34,885,457 in 1901 to $43,585,832. British shareholders in Canadian Banks also held stock estimated at over $4,000,000. A great proportion of Canadian railway stock was held in Great Britain and the borrowings

of the Grand Trunk Pacific, in the near future, to say nothing of the Canadian Pacific and the Canadian Northern, will naturally run the total of British investments in Canada, at an early period, up to a much greater figure.

British investors hold, also, substantial interests in Canadian Light and Power Companies, Land Companies and similar corporate concerns and would probably hold much more if corporations were not the object of so much abuse and misrepresentation in Canada. Mr. R. W. Perks, M.P., a British capitalist of wide experience in great undertakings in Egypt, Argentina and Brazil, analyzed the situation when he was in Canada during the month of June and declared the profits offered by large enterprises in the Dominion to be too small at present to attract the expert and pioneer investors who were willing to risk big sums for large profits. They did, however, attract the small holders of money who were accustomed to popular movements. During 1907 Great Britain bought, or renewed, all the Dominion Government loan issues of the year totalling a large figure; took* $8,900,000, or nearly all of the issues of Provincial bonds in Canada; bought $7,233,857, or 50 per cent. of the Municipal bonds sold during the year, as compared with $379,000 taken by United States investors and against a total of only $908,700 taken in 1906; and purchased $46,961,200 of corporation bonds as against Canada's own absorption of but $7,870,000 worth and a British purchase of only $19,655,000 in 1906. In addition to this purchase of $62,000,000 worth of bonds—exclusive of Dominion securities—there was the large amount of money brought into the country by immigrants which, however, was more than balanced by the coming in of United States farmers.

Amongst the incidents of the year in this connection was the visit of Mr. John Davidson, Manager of the British Empire Trust Company of London in, as he put it to *The Globe* on Aug. 17, the interest of British clients "who are investors or will be investors in Canadian securities"; and his statement that this Company had already invested $7,500,000 in the country during 1907. Mr. Shadford, an English ironmaster and capitalist, visited Victoria, B.C., in July with a view to establishing blast furnaces and a steel plant on Vancouver Island which would cost some $2,000,000. Mr. Henry Bill, Manager of Lloyd's Bank Limited, made an interesting suggestion to the Victoria *Colonist* on Sept. 8th: "Why not make an effort to get some of the leading stock exchange men of London out here? If you wish to impress the British investor with the advantages of Canada from an investment standpoint you would accomplish more in that way than by bringing out journalists or even bankers. The vast majority of investments in listed securities are made on the advice of brokers who are always on the lookout for securities they can safely recommend to

* Note—From Mr. E. R. Wood's annual address to the Dominion Securities Corporation, Limited.

clients." Mr. Alexander Laird, General-Manager of the Canadian Bank of Commerce, stated his belief to the press on Oct. 30th that British banks would before long help, at least, in the advancing of money to move the wheat harvests of the West; while Mr. R. E. Gosnell of Victoria stated, upon returning from England (Vancouver *Province,* Nov. 5), that he had often been met with a question as to why Canadians did not more freely invest in their own enterprises instead of going to New York, to Cuba, to Brazil, or to Mexico.

In connection with this question and the insistent demand for capital during 1907 there were occasional discussions of Canadian investments abroad. The investment of the Banks in New York call loans has already been referred to; but these institutions had branches in other parts of the United States as well—Chicago, San Francisco, Seattle, etc. The Royal Bank had a number of branches in Cuba, and the Union Bank of Halifax monopolised Porto Rico in this respect as did the Bank of Nova Scotia with Jamaica. Private Canadian capitalists, or groups of capitalists, had in recent years been steadily enlarging financial operations in Brazil, in Cuba, in Mexico, in Guatemala, etc., and in the July *Munsey* Mr. H. N. Casson had an interesting article upon this subject in which he said: "Montreal has capital—hundreds of millions. She has millionaires—forty-two of them all told, it is said. She has mills and factories—nearly four hundred of all sizes. But the vast bulk of her wealth is invested in enterprises that lie outside of the Province of Quebec. Her capitalists are at present building a railway in Cuba. They hold two million dollars' worth of United States Steel stocks and they have placed large amounts at the service of the Wall Street banks. They are the principal pioneers in the development of electric power in Mexico. They control the Street Car companies in Detroit, Toledo, Cleveland, Akron, St. Paul, Minneapolis, Havana, Trinidid, Jamaica and Rio de Janeiro."

He added that two prominent Montreal citizens held $30,000,000 of stock in J. J. Hill's Railways and he might have stated that Sir W. C. Van Horne and other Canadians held large interests in Guatemala and were extending their holdings and enterprises in Brazil; that W. R. Ross, K.C., and R. E. Harris, K.C., of Halifax were interested in Porto Rico Railways; that a group of Toronto capitalists, including William Mackenzie, Sir H. M. Pellatt and Fred. Nicholls were largely interested in Brazil investments; that James Ross, Sir G. A. Drummond and E. S. Clouston of Montreal and J. H. Plummer and E. R. Wood of Toronto were at the back of the Mexican Light and Power Company; that some $2,000,000 of bonds and $500,000 of common stock in the Chicago and Milwaukee Electric Railway were said to be held in Canada. These and other concerns were, however, profitable and the investments were more or less signs of natural

prosperity and enterprise. In the main they were controlled and managed by Canadians and while this movement of capital abroad was a little curious in a debtor country yet the intrinsic merits of the undertakings and the profits—actual or probable—may be considered to largely meet the criticisms suggested. In 1906, for instance, the net earnings of Illinois Traction (in which the Sun Life Company of Montreal was so largely interested) were $1,361,-952 and in 11 months of 1907 they were $1,498,689; the Rio de Janeiro Traction Company for 11 months of 1907 had net earnings of $1,963,130 and a surplus over fixed charges of $817,304; the Sao Paulo Tramway Company in 1906 had earnings of $1,108,280 or 13·44 per cent. on its capital.

Loan Corporations and other Financial Interests

For the year ending Dec. 31, 1906, the Dominion statistics of Loan Companies and Building Societies in Canada showed total loans of $170,122,424, or an increase of almost ten millions, and property of $61,953,023, or an increase of $14,000,000 over 1905. The capital paid up had increased, slightly, to $53,-465,734; the deposits were $23,046,194, also a slight increase; the debentures payable were $68,390,540 or an increase of $3,500,000; the total of the assets and liabilities was, in each case, $232,076,447. In Ontario the official figures for the year 1906 showed a total of $202,685,294 as the value of assets in Loan and Trust Companies compared with $189,818,178 in 1905. They included debts secured by mortgages on land totalling $109,789,640; Interest totalling $1,368,888; debts secured by stocks, bonds and securities $23,586,387; miscellaneous items running up over $10,000,000; and debts not owned beneficiary (Trust Companies) $58,685,294. The liabilities included a capital stock of $46,000,000, a reserve fund of $14,492,320, deposits of $17,575,287, debenture stock of $59,123,356 and contingent liabilities (Trust Companies) of $58,006,065.

During the year the Montreal Trust and Deposit Company and the Commercial Trust Company of Halifax amalgamated with headquarters in Montreal and Mr. R. Wilson Smith as President; the Canadian Savings, Loan and Building Association of Toronto was acquired by the Standard Loan Company of Toronto and the assets of the latter were thus increased to over $2,000,000. The Eastern Trust Company of Halifax absorbed the Empire Trust Company which in the previous three years had built up a considerable business and Mr. J. Y. Payzant joined the combined concern as Vice-President; Mr. J. M. McWhinney, Manager of the Union Trust Company in Winnipeg was, in December, appointed to fill the position of General-Manager at Toronto which had been vacant since the retirement of Hon. G. E. Foster in 1906. The affairs of the Canada Permanent Mortgage Corporation in 1907 were prosperous judging by its annual statement which showed total assets of $25,778,809, mortgages of $23,013,147, net

earnings of $686,279, as against $634,048 in 1906 and deposits of $3,316,339. Its earnings were stated at over 10 per cent. on its capital and the liabilities to the public were $16,778,335. The Royal Trust Company continued its career of expansion and opened a branch in Ottawa to add to its dozen existing branches —of which eight were in the West. The capital was increased to $600,000 with a Reserve Fund of the same amount.

The Consumers Gas Company of Toronto had earnings in 1907 of $449,456 or 17·38 per cent. on its capital; the Lake of the Woods Milling Company, earnings of $453,473 or 22·67 per cent.; the Montreal Light, Heat and Power, earnings of $1,440,582 or 8·47 per cent.; the Montreal Street Railway, earnings of $1,040,359, or 12·83 per cent.; the Ogilvie Flour Mills Company had trading profits of $630,685 or at the rate of 34·65 per cent. on its common stock.* On Mar. 28th, 1907, the Bell Telephone Company reported at its annual meeting a total capital of $9,980,000, the addition of 16,950 subscribers during the year, the sale of $1,038,000 of new five per cent. bonds and the authorization of a further bond issue of $3,750,000. During this full calendar year the Company had gross earnings of $4,829,656 as compared with $4,139,334 in 1906. The expenses and interest were, respectively, $3,785,859 and $3,146,479; with net earnings of $172,779 and $266,177. The Manitoba Government payment of $3,000,000 was not included in these figures. At the close of the year the Company had 111,118 stations and during 1907 issued $286,000 of bonds and $2,500,000 of additional stock. On Mar. 2nd the organization at Hamilton of the Dominion Power and Transmission Company, a large electrical merger, was completed with Mr. J. M. Gibson, K.C., as President, James Dixon of Hamilton and John Knox of Brantford as Vice-Presidents and W. C. Hawkins as Secretary and General-Manager. At the close of the month the Douglas Lake Cattle Company of the Nicola Valley, B.C., with an immense ranching property and about 15,000 head of cattle and 2,000 horses, was re-organized as The Canadian Estates, Limited, with a share capital of $2,000,000, with British money at its back, and with the Rt. Hon. H. O. Arnold-Foster, M.P., as its Chairman. The Crow's Nest Pass Coal Company at its annual meeting (1908) announced net profits for the preceding year of $382,986, total assets of $7,125,063, capital stock paid up of $3,716,280, and a reserve fund of $2,124,420.

The Trusts and Guarantee Company, Ltd., of which Hon. J. R. Stratton was President and Mr. J. J. Warren Managing-Director, had, on 31st Dec., 1907, a paid-up capital of $1,120,002, trust funds of $2,636,434 and assets of $4,830,482. Its total assets in 1904 had been $2,810,772 and its profits $61,924. The profits in 1907 were $86,009. The Toronto General Trusts Cor-

* NOTE—Condensed from *Financial Post*, Toronto, Jan. 11, 1908.

poration of which Dr. John Hoskin, K.C., was President and Mr. J. A. Langmuir Managing-Director, accepted new business during 1907 totalling $3,952,831 and had gross profits of $262,726 with net profits of $135,868. The total assets of the Company included $1,409,868 on capital account, $16,654,331 on trust, guarantee, and agency account, and $14,785,702 on trust estates and agencies. The National Trust Company, Ltd., of which Mr. J. W. Flavelle was President and Mr. W. T. White General-Manager, had net profits in 1907 totalling $133,828 and assets which included $1,567,787 on capital account, $5,833,679 on guaranteed trust account, and $6,916,822 of estates, trusts and agency investments. The Company's Reserve was $500,000 or 50 per cent. of its capital and the assets administered had increased from $7,813,-538 in 1904 to $14,318,210 in 1907.

The Union Trust Company, Ltd., of which Mr. Charles Magee was President and Mr. J. M. McWhinney General-Manager, had net profits of $111,154 during 1907 and assets of mortgages, bonds and stocks, etc., totalling $3,074,221, a guaranteed investment account of $3,728,902, and a trust account of $1,909,993. The Canada Permanent Mortgage Corporation of Toronto with Mr. W. H. Beatty as President, R. S. Hudson and John Massey as joint General-Managers, has been referred to already. Mr. Beatty, in his remarks at the annual meeting,* however, commented as follows upon a point often raised in times of tight money: "Many persons not acquainted with the rapid and unfailing turnover of the investments of a well-conducted mortgage corporation have allowed themselves to express opinions, sometimes in print, that the mortgage assets of such a corporation as ours are to a large extent fixed, not liquid, and not readily available. To such persons I wish to say that, so far as this corporation is concerned, they are mistaken. During the year 1906 the sum of $5,105,064 was received in cash from real estate mortgagors alone, and during the past year we received $4,910,107.83 from the same source and out of a total mortgage investment of about $23,000,000. These moneys are of course available for re-investment, and constitute a steady emergent fund to meet any unusual withdrawal, or the corporation's maturing debentures, in these exceptional times." Other Companies of this nature had a prosperous year. The Canada Landed & National Investment Co. with assets of $4,772,910 made a profit on its paid-up capital of 12·65 per cent.; the Toronto Mortgage Co. made 8·10 per cent. or net profits of $82,399; the Real Estate Loan Co. of Canada cleared a profit of 8·65; the Huron & Erie Loan & Savings Co. with its assets of $11,246,976, paid-up capital of $1,900,000 and reserve of $1,655,000, made 12 per cent.; the Landed Banking & Loan Co. of Hamilton made 12·22 per cent. on a paid-up capital of $700,-000; the Colonial Investment & Loan Co. made $207,054 of a

* Note—Toronto, Feb. 3, 1908.

net profit, and the London & Canadian Loan & Agency Co. $85,282.

The Home Investment & Savings Association of Winnipeg made net profits of $50,380 or 13·29 per cent. on its capital; the Guelph & Ontario Investment & Savings Society, with total assets of $2,130,545, made net profits of $67,215 and raised its Reserve Fund to $222,000 or 50 per cent. of its capital; the Agricultural Savings & Loan Co. of London reported gross interest earnings of $130,051 and net earnings of $54,919 or 8·71 per cent. on its capital; the British Colonial Permanent Loan & Savings Co. had total assets on Dec. 31, 1907, of $2,058,418 of which $1,672,300 were investments in first mortgage loans, the paid-up capital was increased to $400,000 and the Reserve Fund raised from $150,000 to $200,000, the usual dividend of 9 per cent. was paid and the stock quotation reached 50 per cent. above par. The Central Canada Loan & Savings Co. of Toronto had at the end of 1907 Loans secured by first mortgages on real estate totalling $1,138,611 and Loans secured by bonds, stocks and debentures, $2,138,100. It owned bonds and stocks of $4,166,217; its paid-up capital was $1,500,000 and Reserve Fund $1,050,000; its net profits were $153,079. The Central and New Brunswick Telephone Companies were amalgamated on June 24th with Mr. S. H. White of Sussex as President, Senator F. P. Thompson and Mr. F. B. Black as Vice-Presidents and Alfred Seeley as Secretary-Treasurer.

It was announced in August that the Canadian General Electric Company of Toronto would increase its total capital stock to $8,000,000 by the issue of $2,000,000 of 7 per cent. cumulative stock. Mr. Frederic Nicholls, the head and front of the enterprise, told the London *Financier* on June 3rd that: "Four or five years ago we were paying £100,000 in wages. To-day we are paying between £400,000 and £500,000 per annum. Notwithstanding the great increase in the pay-roll, owing to the growth of the business, the Company—as the annual statement recently issued shows—has maintained its dividend at 10 per cent., year by year, since 1896." At a shareholders' meeting on Aug. 15th Mr. Nicholls stated that the Company had $5,000,000 worth of work on hand and $5,000,000 worth of liquid assets. The new issue of $2,000,000 preference stock was over-subscribed in London during the Autumn. The profits of the historic Hudson's Bay Company (May 31, 1907) were £197,688 on trade account and a balance on Land account of £258,879. The total dividend was £4 5s. per share. The net profits of the Nova Scotia Steel and Coal Company for 1907 were $1,200,000 which ran up the total of profits for seven years to $5,200,000. The Toronto Electric Light Co. with a capital stock paid-up and debentures payable of $4,385,477; with total assets of $5,215,805 and gross earnings in 1907 of $1,039,716; had net earnings or profits totalling $142,287. The Electrical Development Co. of Ontario, of which

Sir Henry Pellatt was President as well as of the Toronto Electric Light Co., was conspicuous during the year because of political, municipal and financial complications. Its total assets on Dec. 31, 1907, were $16,058,334 of which $12,113,239 was investment account and expenditure on plant and $3,127,029 cost of rights of way and construction of transmission lines. Its loss on operations during the year was $162,710. The capital stock was $6,000,000, the 1st mortgage gold bonds $8,150,000 and the current liabilities $1,908,334.

Early in the year the National Finance Co., Ltd., with $500,000 capital was organized at Vancouver and Mr. T. T. Langlois elected President with Horace G. Knott as Managing-Director—the announced object being to obtain outside capital for the West and to promote business concerns. The well-known wholesale firm of W. R. Brock & Co., Toronto and Montreal, obtained permission in July to increase its capital stock from $1,000,000 to $5,000,000. Some financial appointments of the year included Dr. W. Saunders, C.M.G., as a Director and Mr. Hume Cronyn as Manager of the Huron & Erie Loan & Savings Co.; Mr. T. A. Trenholme as a Director of the Montreal Park & Island Railway Co.; Mr. Andrew A. Allan as President of the Canadian Marconi Co., and Mr. R. Bickerdike, M.P., as a Director; Mr. D. B. Hanna as a Director of the London & Canadian Loan Co. In November Mr. G. G. S. Lindsey, K.C., was appointed President of the Crow's Nest Pass Coal Co. in succession to Senator Cox, and Mr. James D. Hurd took his place as General-Manager.

Dispute between the Dominion Coal and Steel Companies

The trouble between the Dominion Coal and the Dominion Iron and Steel Companies continued all through 1907 despite the closeness of their mutual interests and the common identity of their chief directors and shareholders. Both concerns had a good business year although the ups and downs of their stocks were more or less affected by the legal struggle. The Coal Company's total production in the calendar year 1907 was 3,516,856 tons against 3,248,565 in 1906 and 3,196,527 tons in 1905. The Steel Company pushed its business vigorously from March to December with a full force of labour employed. Its earnings for the year ending May 31 were $2,247,536 and net earnings $1,563,151. The net quarterly earnings to August 31 were $515,833. The iron-ore mined during the calendar year, according to figures published in the Montreal *Star,* totalled 593,000 tons, the limestone quarried was 352,000 tons, the coke produced was 409,000 tons, the pig-iron 256,500 tons, the blooms 237,500 tons, rails 129,000 tons, rods 64,500 tons and billets 71,000 tons. About half the members of the Coal Company's Directorate were Directors, also, of the Steel Company at the beginning of the year but a number afterwards resigned. Mr. James Ross was President and Mr. F. L. Wanklyn Vice-Presi-

dent of the former; Mr. J. H. Plummer President and Hon. L. J. Forget Vice-President of the latter.

The origin of the dispute was in a contract to supply coal by the one concern to the other with, no doubt, the idea of working together in profitable co-operation. The first contract was in 1899 at a price of $1.24 per ton, no limit to quantity supplied, and with delivery to be made when required. In 1902 the Coal Company was leased by the Steel Company with a provision reviving the original contract in a modified form should the lease be cancelled. This cancellation took place on October 20, 1903, when a new 99 year contract was made with various changes in the original terms —the rate per ton, including 4 cents for car-line, being $1.28 and the prices subject to revision in 1909. Disputes arose as to the quantity and quality of coal supplied, and on Nov. 1st, 1906, the Steel Company withdrew, after due notice, from the provisional agreement and claimed that the deliveries of coal in August, September and October were reduced without reason and that after that date the coal delivered was unfit for the purposes for which it was required. On Nov. 9th the Coal Company declared the contract void and threw the onus on the other concern as having refused the coal offered—Mr. G. H. Duggan, 2nd Vice-President of the Coal Company writing as follows to Mr. F. P. Jones, General-Manager of the Dominion Steel Company: "Your conduct in refusing to accept the delivery of the coal furnished and to be furnished constitutes a clear repudiation on your part of your obligations under the contract and renders further performance on our part impossible. We, therefore, formally notify you that the contract mentioned is at an end. I greatly regret your repudiation of a contract, the nature of which has involved the expenditure of millions on our part, and we cannot understand your disregard not only of our contract rights but of the large interests necessarily affected by your action." For a time the Steel Company's works were more or less closed up and, although a working compromise was patched up in December, suit was entered for immense damages in the Nova Scotia Supreme Court.* In a statement issued by Mr. J. H. Plummer on June 24th, 1907, the Steel Company's case, in its latter developments, was put as follows:

On the 6th December, 1906, the Coal Company consented to enter into a contract for two years although at an excessive price. The Directors, believing that the excess will be recovered from the Coal Company, and in order to keep the plant in operation and to carry out the Company's obligation for the delivery of rails, wire rods and other products, agreed to this arrangement but with full reservation of the rights of the Steel Company under the contract of 1903. They then entered suit in Nova Scotia against the Coal Company, for damages due to the unlawful cancellation of the contract, claiming for the excess cost of coal, for losses caused by the cessation of deliveries, for the value of unexpired term of 85 years of a contract for a large tonnage at a low price, and on other

* NOTE—See *Canadian Annual Review* for 1906. Pages 235-7.

counts—the total damages being stated at $15,000,000. The Steel Company is advised by counsel that the rejection of the coal tendered as not being coal within the terms of the contract, was entirely justified; that the Coal Company was not within its rights in refusing to deliver coal; and that the Steel Company's action is well founded. The Directors have nevertheless endeavoured to bring about an understanding which would render legal proceedings unnecessary, but without result, as the proposals of the Coal Company have never been of such a nature as the Steel Company could entertain.

In the Courts the Steel Company asked for $550,000 damages caused by the works being closed down and for $15,000,000 damages should it be determined that the original contract was not now in force and had been broken by the Coal Company. The defence of the latter, as filed in Court, was in the main that in August, September and October, 1906, they had reduced their deliveries to customers, refused profitable contracts, declined to tender for other contracts, reduced the volume of their general business, and purchased coal to fulfil part of their obligations to other customers, in order to enable them to deliver to plaintiff Company the quantities required. They claimed that coal was furnished the Steel Company below cost; that the quantity delivered between Nov. 1 and Nov. 9, 1906, was greater than stated and that the Steel Company repudiated the contract of October 20th, 1903, and refused to allow defendants to further supply coal as specified; that plaintiffs demanded that defendants should remove coal supplied under provisions of said contract. While the trial of the case was pending there were all sorts of negotiations, moves and counter-moves, between the two Companies and their inter-laced Directorates.

A pronounced effort was made in February and March, 1907, to take control of the Coal Company out of the hands of Mr. Ross and thus, it was claimed, promote peace; the places of Mr. F. S. Pearson and Sir W. C. Van Horne on the Coal Directorate were filled in January by the appointment of G. H. Duggan and C. C. Fergie, officials of the Company at Sydney, but they were afterwards replaced by James Crathern of Montreal and J. Kerr Osborne of Toronto; Senator G. A. Cox resigned but afterwards withdrew his resignation; the attempt to overthrow the existing management of the Company was characterized by one of the Directors (Mr. J. Reid Wilson) on March 5 as simply an effort by the Steel Company to acquire control; conferences were held between the various individuals and interests concerned and at the Coal Company's annual meeting on March 7th peace was the dominant note with Messrs. R. B. Angus, Montreal, and F. Nicholls, Toronto, representing the opposite sides. The following Directors were elected: Lord Strathcona, R. B. Angus, Senator Cox, James Crathern, H. F. Dimock, Senator MacKeen, W. D. Matthews, James Ross, F. L. Wanklyn and J. Reid Wilson. Mr. Ross retained his position as President.

Further interviews followed between various Directors of the respective Companies and many hopes of settlement were held out from time to time; but on June 14th Mr. Plummer said to the press that so far as a settlement was concerned through any re-adjustment of the coal contract, he had abandoned all idea of that. "We made many efforts to that end between November and March, but the final discussions then had, as the result of Mr. Angus' friendly statements at the Coal Company meeting, showed conclusively that it was impossible to make any arrangement with them which would be fair to our shareholders. Since then I have been attending to the operation of the plant only, the proving of new coal areas, and the preparation of our case against the Coal Company." Following this came an effort to change the management of the Steel Company at its coming annual meeting. Rumours were current as to the retirement of Messrs. Plummer and Jones; statements were made that Mr. Ross controlled over 12,000 shares and Mr. H. F. Dimock 8,000 shares; there was talk of amalgamating the two concerns; and then, on July 4th, it was announced that the meeting of the following day had been indefinitely postponed by an Order-in-Council of the Nova Scotia Government. This was followed by the resignation of Messrs. W. B. Ross, F. S. Pearson and E. R. Wood from the Directorate. The official reason given for postponement was "to prevent any possible embarrassment of the Company's position in the dispute and pending litigation." Messrs. George Caverhill and W. G. Ross of Montreal were promptly placed on the Directorate.

On July 30 the trial of the issue commenced at Sydney before Mr. Justice Longley. The Counsel engaged in the contest included W. B. A. Ritchie, K.C., H. McInnes, K.C., and Walter Crowe, K.C., for the Steel Company; Wallace Nesbitt, K.C., and A. J. Brown for the National Trust Company as Trustees for the bond-holders; J. J. Ritchie, K.C., H. A. Lovitt, K.C., and E. M. Macdonald, K.C., for the Coal Company. Any detailed statement of the succeeding conflict of lawyers and witnesses and testimony is impossible here. The chief witnesses were Sir W. C. Van Horne, F. P. Jones, the Steel General-Manager and Hiram Donkin, C.E., ex-General-Manager of the Coal Company; while elaborate addresses were delivered by Messrs. Lovitt, Nesbitt, Macdonald and other Counsel. The case concluded on Aug. 19th and on Sept. 17th Judge Longley's decision was made public. His Lordship found that the Coal Company had committed a breach of contract in not supplying coal suitable for the Steel Company's requirements or in sufficient quantities; the action of the latter Company in refusing inferior coal in November, 1906, was declared justifiable and not a breach of contract. This arrangement was therefore still in force and specific performance of the contract was ordered while the appointment of a referee was recommended to determine: (1) how much coal it was necessary for the Steel Company to purchase in August, September and October, 1906, and the cost of such coal

delivered at their plant; (2) the amount of damage suffered by the Steel Company through this non-delivery of coal, apart from additional cost; (3) the cost of coal obtained by the Steel Company since November 1st, 1906; (4) the amount of actual loss and damage sustained by the suspension of the steel works in November for lack of coal. If this judgment was evaded His Lordship declared that a receiver should be appointed for the Coal Company. Notice of appeal was at once given.

At the annual meeting of the Dominion Iron and Steel Co. on Oct. 9th the shareholders were congratulated upon this victory and the hope expressed that further litigation might be avoided. The claim for specific damages was stated at $1,796,640 up to August 31st, 1907. Sir H. M. Pellatt, a large shareholder, was not re-elected to the Board on account, it was said, of the "peace" efforts made by him in the previous spring. The Directors chosen were Sir Montagu Allan, Senator Cox, George Caverhill, H. F. Dimock, Hon. L. J. Forget, Senator Mackay, Senator MacKeen, William McMaster, Fred Nicholls, F. S. Pearson, J. H. Plummer, Elias Rogers, W. G. Ross, Sir W. C. Van Horne and H. M. Whitney. The first-mentioned was the new Director. The argument in appeal was heard before the Supreme Court at Halifax on Dec. 17th and following days. It was dismissed and the case then went to a higher Court.

The Increased Cost of Living in Canada

A higher price for food and other necessities of life was an undoubted element in the financial condition of Canada during 1906 and 1907. Prosperity was, of course, a cause and one which was general to the continent as a whole. In many cases, while affecting the general consumer unpleasantly, the higher prices benefited specific industries or enriched the farmer. How far the balance went in one direction or another may be left to the settlement of those who dispose so easily from time to time of questions arising out of Protective practices and Free Trade theories. There can be no doubt that by the end of 1907, when the tendency was toward lower wages and more limited opportunities for work, the condition became a hardship to many persons—other than those of small but steady or stationary incomes who always suffer in a high-price period. It must be remembered, too, that while the North-West farmer reaped a larger profit out of the price of his wheat the cost to the Canadian consumer of wheat, generally was increased. One estimate —an exaggerated one—of the loss in this latter respect from a poor crop was $100,000,000. It was, no doubt, considerable.

In Nova Scotia the Halifax *Herald* (Oct. 24 and Nov. 18) had elaborate articles dealing with the increasing prices in that Province. It was stated that the tenders for food supplies, 1907-8, at the City Home for the Poor in Halifax were 14 per cent. higher than those of 1906-7; elaborate tables were published as to prices in this connection from 1896 to 1907; the question was

asked, if these were the increases in practically wholesale prices, what must they have been to the small consumers? It was said that everything had gone up—bread, milk, butter, eggs and coal; small houses worth $550 eight years before were now $800; "miserable little flats" were now renting for $18 a month and small rooms were at similar rates. Clothes of all kinds, shoes, bed-linen, blankets, etc., everything, were on the upward wing. To quote the graphic words of the *Herald* as to the difference in ten years:

Increase in the price of potatoes	103 per cent.
Increase in the price of milk	81 per cent.
Increase in the price of mess pork	66 per cent.
Increase in the price of hindquarter beef	58 per cent.
Increase in the price of forequarter beef	54 per cent.
Increase in the price of tub butter	41 per cent.
Increase in the price of general groceries	28 per cent.
Increase in the price of flour	25 per cent.
Increase in the price of soft coal	27 per cent.
Increase in the price of hard coal	45 per cent.
Average increase in ten of the chief necessaries of life, say	50 per cent.

There was some attempt to point a political moral in this and to inquire how far the Dominion Government's fiscal policy deserved popular approval under such conditions. The Halifax *Chronicle* promptly replied by dealing with the benefit accruing to the farmers. Taking the increases, as quoted, it estimated that the farmers of Nova Scotia received for three of their products (hay, oats and potatoes) $8,750,000 more in 1907 than in 1896. The Toronto *World,* on Nov. 6th, estimated that in five years the price of cottons had increased 15 per cent., of linens 25 per cent., of silks 35 per cent., of hardware 15 to 20 per cent., of clothing 20 per cent., of cheap boots and shoes 25 per cent., of fine boots and shoes 10 per cent., of meats 5 to 10 per cent., of vegetables 30 per cent. In October, 1907, milk advanced in price at many places throughout Canada and at Montreal 10 cents a quart was asked; in Toronto it rose from 7 to 9 cents during the year. It was estimated that in Montreal an additional expenditure of $400,000 would be entailed during the winter of 1907-08 by the increases in bread, milk and fuel alone.

This rise in prices appears to have been continuous. According to an article by Professor Mavor of Toronto University the advance in food prices in that city had been 50 per cent. in 1902 over 1897 and in 1906 it was 64 per cent. over the earlier date. The details included eggs at an advance, in the ten years, of 67 per cent., potatoes 62 per cent., mutton 57 per cent., lard 50 per cent., butter 49 per cent. (in 1907 it was much higher), cottons and woollens large and varying amounts. Using an index figure of 100 Professor Mavor's summary showed that the prices of food as a whole rose from 100 in 1897 to 128 in 1906, rent to 195, fuel to 124 and clothing to 120. Some months later he brought these figures down to the end of 1907 and described the

increase in 15 principal articles of food consumption in workingmen's families as rising, in the one year, from an index figure of 128 to 146. Beef, butter, milk, bread, flour, fish, potatoes, mutton, eggs, tea, oatmeal and cheese were the chief items included. The index figure in rent had risen in the year to 213, in fuel to 126 and in clothing to 140. Professor Mavor estimated that $1.67 would in 1907 only go as far as $1.00 in 1897. It was a curious fact that, according to *The Globe* of Nov. 13th, so far as the increase in prices between 1906 and 1907 was concerned, it had no apparent relation to the wholesale price of products. With the exception of cattle and, therefore, of beef, there was no increase in wholesale rates in Ontario. "Sheep, lambs and hogs are all cheaper, and yet even for lamb and mutton the prices to the consumer instead of being lowered, have been stiffened, clearly indicating that the margin of profit accruing to the retailer must be greater. The most striking instance of this is to be found in the case of eggs. The wholesale price of these important adjuncts of the breakfast table has only increased about 5 cents per dozen; the retail price has increased from 25 cents to 40 cents; a difference of fifteen cents." In Ottawa the city tenders for coal (June, 1907) rose greatly in price and the payment made increased from $5.67 to $7.12 per ton. Montreal, as well as other places, found that the increased cost of labour and material frequently went into the cost of food supplied the people.

This condition of increase was shown in every line of grocers' specialties. More stringent food laws preventing adulteration and the public demand, in all directions, for the better class of foods were other influences in this connection. In Winnipeg the price of flour was stated to have been advanced by the millers 20 cents a barrel on May 28; another 20 cents on August 31; again on September 4; and another 20 cents on Sept. 19th. From May 20 to the latter date October wheat advanced at Fort William from 93½ cents to $1.02¼, or as it was estimated by a severe critic of the millers,* 43¼ cents to a barrel of flour. In appealing to the Dominion Government for increased salaries the Civil servants of Ottawa made public an elaborate statement to the summarized effect that the cost of living in recent years (1904 to 1907) had gone up 67 per cent. Taking the average weekly expenditures of a family of five upon staple foods, fuel, lighting and rent under an income of $750 they found the cost to have risen from $9.06 to $12.17. The Winnipeg *Free Press* in analyzing this claim (Sept. 17) was inclined to confirm it. House rent had gone up, locally, from $25 to $40 a month and small cottages from $10 to $20; taxes had increased at least 33 per cent.; wood (in the West) which was $4.50 a cord had doubled in price and coal had gone up from 10 to 16 per cent.; domestic help had greatly increased in cost and in difficulty of obtaining or retaining; so with beef, pork, veal and other meats, clothes and

* Note—The Winnipeg *Tribune*, Sept. 19, 1907.

other necessities. "Any careful housewife can sit down and figure out an increase of from 33 to 71 per cent. on the prices she was paying a few years ago."

Life Insurance Affairs and Conditions

Life insurance conditions in 1906 and 1907 could hardly be termed normal. Investigations and revelations and scandals in the United States; investigations and sensational allegations and discussions in Canada; actual legislation of an extremely restrictive character in the Republic and pending legislation in the Dominion; combined with money stringency to affect the returns for 1906 although not, apparently, those for 1907. The official figures are, however, more than a year late in Canada. For the year ending Dec. 31, 1906, they showed a total decrease of $10,000,000 in the amount of policies taken; the 24 Canadian Companies losing $5,088,888 and the 13 American Companies $6,395,689 while the British Companies gained $590,446. During the same period Canadian Companies took policies totalling $62,450,253; American Companies a total of $28,090,526; and British Companies $4,472,426. The total life insurance in force at the end of this year was $656,260,900 divided into $420,864,847 Canadian, $189,740,102 American and $45,655,951 British —an increase of $25,926,660 over 1905. Of this nearly $23,000,000 was in Canadian Companies. Further particulars of the year's business may be seen in the following table:

Insurance terminated in natural course		$10,199,946
Terminated by surrender and lapse		56,779,760
Number of Policies in force		389,884
Average amount of Policies less those having special conditions—		
1. Canadian Companies		1,506
2. British Companies		1,993
3. American Companies		1,643
Number of lives exposed to risk—		
1. Active Companies		743,375
2. Assessment Companies		127,503
3. Non-Active Companies		3,213
Death rate in Active Companies		10·084
Death rate in Assessment Companies		8:557
Total Premium Income		22,364,456
Premium increase over 1905		283,739
Payment to Policy-holders per $100 of Premiums received		47.83
Total Income of Canadian Companies		24,842,566
(a) Premiums	$18,993,538	
(b) Interest, etc.	5,849,028	
Total Expenditures of Canadian Companies		13,373,590
(a) Policy-holders	7,394,882	
(b) General Expenses	5,744,309	
(c) Dividends	234,400	
Total Assets of Canadian Companies		114,560,833
(a) Real Estate	4,838,076	
(b) Loans on Real Estate	31,822,209	
(c) Loans on Collaterals	3,995,061	
(d) Cash Loans and Premium obligations	11,091,446	

(e) Stocks, Bonds, etc.	$55,286,774	
(f) Cash and Sundries	7,432,324	
Total Liabilities		$103,125,355
Capital Stock		4,374,628
Total Assets in Canada of British Companies		23,693,546
Total Liabilities " " " "		15,090,457
Total Assets in Canada of American Companies		42,164,240
Total Liabilities " " " "		39,223,119

The official figures for 1907 were, of course, not available at the time of writing, but *The Chronicle* of Montreal obtained reports from each of the Canadian Companies and the resulting tabulation showed the net premiums received in 1907 to have totalled $14,948,005 or an increase of nearly $900,000; the amount of policies new and taken up to have been $70,395,389 or an increase of over $8,000,000; and the net amount of assurance in force to have reached a total of $453,359,462 or an increase of $34,000,000. The London Life, Union Life and the Metropolitan carried Industrial policies, the Sun Life a Thrift policy and the Excelsior had a monthly policy. A number of outside companies have ceased doing business in Canada including the Edinburgh Life, the Life Association of Scotland, the London Assurance Company, the Scottish Amicable, the Scottish Provident, the Connecticut Mutual, the National Life of the United States, the North-Western Mutual of Milwaukee, Phœnix Mutual of Hartford, Conn., the National Assurance of Ireland. During 1907 the British Empire Mutual Life and the Pelican Life Office amalgamated as the Pelican and British Empire Life Office; the Mutual Life Assurance Company of Canada opened a branch in Montreal under the management of B. F. Steben and G. H. Allen and enjoyed an expense ratio of only 16·34 of its total income; the Imperial Life lost in the person of Mr. F. G. Cox its Managing-Director; the Royal-Victoria Life of Montreal, with Mr. David Burke as its well-known Managing-Director, arranged preliminary terms of amalgamation with the Crown Life of Toronto; the Canada Life lost the services of Mr. P. D. McLaren, as General-Manager in the Maritime Provinces and Newfoundland, after 36 years of work for the Company. Mr. J. F. Junkin resigned the management of the Manufacturers Life in May and in December the London and Lancashire Life appointed Mr. Frank Macdonald as its Manager in Alberta and Western Saskatchewan and in Ontario west of Port Arthur.

The meetings of Insurance organizations in 1907 were of unusual interest. On Aug. 19th and following days the annual Convention of the Life Underwriters Association of Canada was held in Toronto with its President, Mr. G. H. Allen, in the Chair and addresses from Mr. J. O. McCarthy, President of the Toronto Association, Mr. B. Hal Brown, F.S.S., of the London and Lancashire Life, Mr. E. W. Cox of the Canada Life, and others. Mr. Hal Brown's speech was a notable effort from a Nestor in

Canadian life insurance. In cultured terms he indicated the actual motives underlying and controlling insurance work and the lofty ideals which should be cherished by all connected with it. "Life insurance above all other lines of business requires in its conduct the highest integrity. It touches every phase of life and transcends in the magnitude of its sacred trust every other line of business in the world. Its representatives are teachers of the people in thrift; the untiring champions of the preservation of the sacred rights of the family and its continuity. They, like the Disciples of old, are Fishers of men. Their study is Mankind, educating and influencing against selfishness; producing provident and independent citizens. I would have you regard Life insurance as the very highest vocation, and, therefore, worthy to have laid upon its altar the best abilities and to command the most devoted service."

Mr. Allen recapitulated Resolutions previously passed by the Association (1) recommending "the prohibition of rebating by legislation (both Provincial and Dominion), so as to penalize all parties concerned—Company, agent and the policy-holder receiving the rebate"; (2) declaring legislation fixing the commission to be paid, or the salaries based on such commission, to be inadvisable; (3) urging the incorporation of the Association; (4) approving conservative estimates of probable profits for the use of agents; (5) affirming the right of an intending insurer to buy whatever kind of policy he desires whether with or without dividend; (6) endorsing the widest publicity in statement and information. The following officers were elected: Hon. President, T. G. McConkey, North American Life, Toronto; President, Herbert C. Cox, Canada Life, Toronto; Vice-Presidents, J. R. Reid, Sun Life, Ottawa, C. P. McQueen, Great West Life, Calgary and E. R. Machum, Manufacturers Life, St. John; Chairman of Executive, G. H. Simpson, North American Life, Montreal; Treasurer, F. H. Heath, Federal Life, London; Secretary, W. S. Miln, Toronto. At the closing banquet on Aug. 20th special addresses were given by Hon. W. A. Weir, Minister of Public Works, Quebec, F. E. McMullen, President of the National Association of the United States and J. S. Willison of the Toronto *News*.

There were some notable incidents in connection with the Convention of the National Association of Life Underwriters of the United States which met in Toronto at the same time as the Canadian Association. Addresses of welcome were delivered by Messrs. David Burke, L. Goldman and H. C. Cox; vigorous and continued protests were expressed against the alleged harshness of legislation in New York and other States; the election of officers included Mr. H. C. Cox of Toronto as 1st Vice-President and Messrs. G. H. Allen and A. H. Vipond as Members of the Executive; the closing banquet was addressed by the Lieutenant-Governor of Nova Scotia (Mr. D. C. Fraser) and by Senator G. A. Cox, Mr. H. Cockshutt, President of the Canadian Manufacturers Asso-

ciation, and the Rev. Canon Cody of Toronto. A most elaborate address during the Session of this body was delivered by Mr. T. B. Macaulay of the Sun Life, Montreal, in which he reviewed past and pending legislation; urged the adoption of laws in Canada which should be a combination of British and American experience and legislation; and dealt at length with the valuation of Policy liabilities, deferred profit assurances, the limitation of undisturbed surplus funds, the investment powers of Companies, the limitation of expense, and the question of standard policies.

The Life Underwriters Association of Saskatchewan was organized in 1907 with Mr. C. C. Knight of the Sun Life, Regina, as President and an inaugural banquet was held on Oct. 31st; the annual meeting of the Life Insurance Officers Association was held in Toronto on Nov. 28th when Mr. J. K. Macdonald of the Confederation Life was elected President and Mr. Thomas Bradshaw of the Imperial Life re-elected Secretary-Treasurer; at the annual meeting of the Montreal Insurance Institute in May Mr. Lansing Lewis was elected President; the annual meeting of the Insurance Institute of Toronto on May 7th resulted in the selection of Mr. E. Williams as President and Mr. A. G. Portch as Secretary; the 1st annual meeting of the Nova Scotia Life Underwriters Association was held at Halifax on June 4th and Mr. W. J. Marquand was elected President; the 1st annual banquet and meeting of the Life Underwriters Association of Alberta was held at Calgary on May 13th and Mr. C. M. Turner re-elected President. The Life Underwriters Association of Northern Ontario selected Mr. John Boyle of Orillia as President. It may be added here that United States insurance estimates for 1906 gave a total of $327,000,000 as having been paid out to beneficiaries in the Republic and in Canada and gave the latter country a total of over $18,000,000. Of this sum $2,229,203 came to Montreal, $1,519,304 to Toronto, $670,486 to Ottawa, $471,534 to Quebec, and $453,304 to St. John. Official figures of the business done in 1906 by the greater Canadian Companies may be condensed as follows:

Company.	Premiums for Year.	Amt. of new Policies.	Net Amount in force on Dec. 31.	Claims Paid.	Total Assets.
Canada Life ...	$3,417,465	$10,211,334	$11,015,847	$1,596,668	$32,280,542
Confederation .	1,521,298	5,827,142	44,812,421	623,338	11,953,913
Great West ...	898,953	6,347,880	27,491,460	144,160	3,947,620
Manufacturers.	1,847,286	8,107,310	46,594,878	323,088	8,472,371
Mutual Life ...	1,604,582	4,960,701	46,566,083	496,462	705,287
N'th American	1,409,928	3,298,765	37,375,709	336,296	7,799,064
Sun Life	4,665,169	17,410,054	102,526,016	1,383,032	24,292,692
Federal	604,360	2,786,263	17,433,074	168,205	2,710,702
Imperial	717,698	2,526,991	17,777,836	68,339	3,332,882

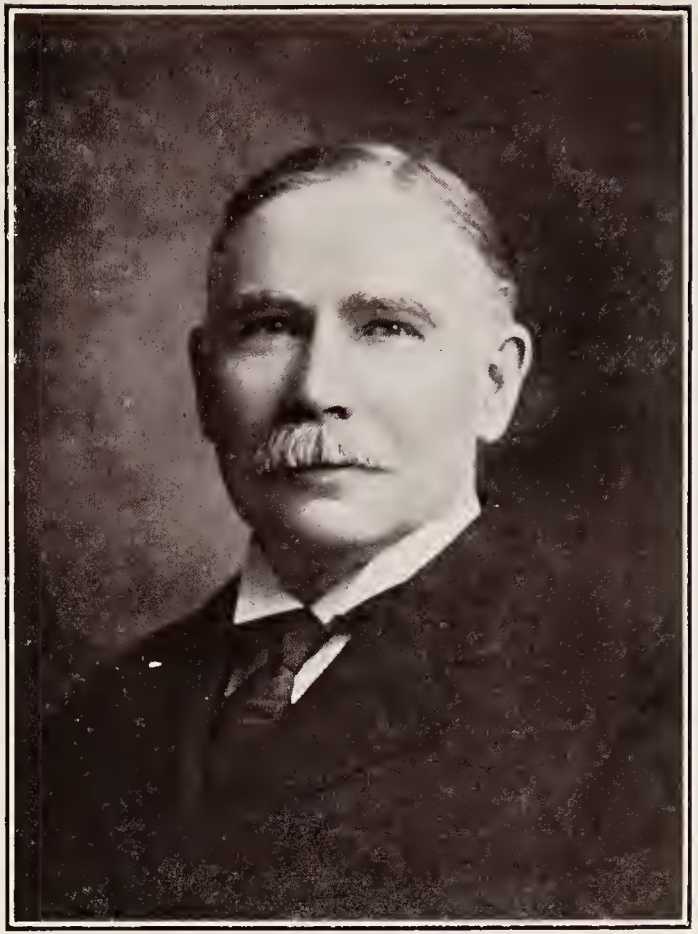
Assessment or Fraternal insurance in 1906—including the business of the Catholic Mutual Benefit Association, the Commercial Travellers Mutual Benefit Society, the Independent Order

of Foresters, in its Canadian business only, and the Woodmen of the World—showed the total amount of insurance in force as $143,283,750 compared with $136,935,201 in 1905. The amount paid in by members was $1,819,602 as against $1,754,640 in 1905; the certificates, new and taken up, were respectively $14,500,500 and $10,835,550; the net amount of claims paid was $1,354,165 in 1906 and $1,233,190 in 1905. The total assets of these organizations in 1906 were $11,103,680, including real estate and loans on real estate of $4,905,010 and stocks, bonds and debentures valued at $3,430,007; cash in hand and in Banks $1,176,923; and the balance in sundry items. The total amount terminated by death in 1906 was $1,270,605 as against $1,132,752 in 1905; and by surrender, expiry, or lapse, $6,903,705 as against $6,256,548. The total liabilities in 1906 (not including reserve) were $936,048, the total income $4,673,140 and the total expenditure $3,407,373. Of course, the great bulk of these figures applied to the Independent Order of Foresters. Its net amount (life and endowment) in force in 1906 was $102,139,500 for Canada and $156,555,500 in other countries; its total amount paid by members was, respectively, $1,297,237 and $2,121,000; its amount of new certificates was $11,192,250 in Canada and $17,507,000 elsewhere; its claims paid were, respectively, $939,825 and $1,244,716. In 1907, the amount paid to Beneficiaries was $2,757,118; the total income, $4,333,346; the accumulated funds at end of year, $11,903,358; the Assurance taken during the year, $27,212,534; the total Assurance carried on Dec. 31, 1907, $264,960,142.

In the Royal Commission's report some specific attention was given to the Fraternal Societies. The conclusion was announced, after some study of the situation, that "the adoption by Parliament of the National Fraternal Congress table, with the rate of 4 per cent., will give to their future business the stability which their wide and useful operations merit." As to present business and assets the Commissioners recognized the difficulty of compelling the old membership to accept new and higher rates; while referring also to the unfairness of making future members pay for the alleged inadequacy of the earlier rates. They expressed objection to any alteration of contractual rights by legislation and recommended that in future all Friendly Societies be required to issue their policies "at such rates as will enable them to maintain reserves compiled upon the National Fraternal Congress table of mortality at 4 per cent., and to keep reserves of all adequate rate business absolutely separate and distinct, for the exclusive benefit of policies upon which adequate rates are collected." Various regulations were suggested as to the adjustment of the present members' rates and insurance. These proposals and opinions created wide discussion. So far as the I. O. F. was concerned its objections were summed up as follows by Mr. Elliott G. Stevenson, the Supreme Chief Ranger, in dealing with the Bill based upon the Commissioners' findings:

ORONHYATEKHA, M.D.

Supreme Chief Ranger of the Independent Order of Foresters.
Died March 3rd, 1907.



MR. ELLIOTT G. STEVENSON.

Appointed Supreme Chief Ranger of the Independent Order of Foresters in 1907.

Had the task of suggesting a means of crippling our Society been assigned to the most vindictive representative of the so-called old line system, it could not, in my opinion, have been more effectively performed than it would be by the provisions of the proposed Insurance law, if they should be made effective. The new Bill, in effect, creates two Societies, one consisting of our present membership and another to consist of those who shall, after January, 1909, become members, and in substance provides that no assessment or contribution of either class shall be used for the purposes of the other. Our present membership contributes large sums for management expenses; at least one-quarter of a million dollars of which is expended annually in bringing new members into our Society. If the proposed law should become operative the present members could not, and would not if they could, continue this expenditure, for the provisions of this law would cut them off from any benefits resulting from the bringing of new risks into the Society fresh from the medical examiner's scrutiny.

In the Ontario Legislature on Feb. 14th Mr. G. P. Graham, the Opposition Leader, proposed an inquiry into the position of Fraternal Societies with a view to establishing a safe table of minimum rates. Mr. W. H. Hoyle claimed in reply that gradual action on the part of the Societies was better than legislative action; and the Attorney-General (Mr. Foy) concluded the debate by declaring that great care had to be taken to avoid forcing insolvency instead of providing safety. Consideration was promised by the Government and the motion was not pressed. The Catholic Mutual Benevolent Association met in Convention at Montreal on Aug. 28th, the Grand President, Mr. M. F. Hackett, K.C., in the chair. In his address he declared that the increasing death rate and present inadequate entrance rates made a change necessary. The Order's insurance totalled $28,178,500 with over 24,000 members and the religious side of its work found expression in an address by Archbishop Bruchesi in which he said that they were "joined together with bonds of religion, and the good that they did to the community was incontestable." The increase of rates was discussed at length but, finally, it was decided to leave them unchanged though by increasing the number of extra assessments during the year to a maximum of 24 and a minimum of 21 the object was partially attained. This new schedule was only to apply to new members.

To the Independent Order of Foresters the year 1907 was memorable owing to the death of its Supreme Chief Ranger—Dr. Oronhyatekha. This remarkable man was a born organizer, a shrewd and far-seeing student of human nature, a devoted and enthusiastic believer in fraternalism, head of the I. O. F. since 1881 and the chief element in the progress and success of that great Association. His death on March 3rd, at the age of 65, removed a striking figure from the financial, fraternal and public life of Canada, as well as a personal factor in the friendship of English-speaking nations. As an Indian he was, perhaps, the greatest man of his race. On March 9th Mr. Elliott G. Stevenson of Detroit, a Canadian by birth, and Supreme Counsellor of the

Order, was elected Supreme Chief Ranger. Mr. W. H. Hunter of Toronto, a couple of months later, was elected to his place on the Council. The new head of the Order bore a high reputation for caution and business sagacity and the choice was generally approved by the press. Mr. Thomas Lawless remained Assistant Supreme Chief Ranger and the Executive Council was composed of the Supreme Chief Ranger, Victor Morin, J. D. Clark, R. Mathieson, H. A. Collins, Dr. T. Millman and W. H. Hunter. Assisting the Executive were the elective High Chief Rangers who in Canada, during 1907, were as follows:

Jurisdiction.	Name.	Address.
British Columbia	J. D. Murphy	Vancouver
Manitoba	H. Irwin	Portage la Prairie
Alberta	A. F. Grady	Macleod
New Ontario	T. A. Hand	Sault Ste. Marie
New Brunswick	H. W. Woods	Wellsford
Nova Scotia	J. R. Bennett	Halifax
Central Ontario	Alex. Cowan	Barrie
Eastern Ontario	G. H. Wade, M.D.	Cobourg
Western Ontario	F. J. Darch	London
Quebec	James Ellis	Quebec
Quebec (Companion)	Mme. J. B. A. Alarie.	Montreal
Prince Edward Island	John Anderson	Kensington

During this year, for the first time, the Province of Manitoba issued an abstract of the business of Friendly Societies; including not only those dealt with above but a number of United States and smaller Canadian societies. Those reporting numbered 22 with a local membership of 16,891 and local insurance totalling $17,551,418. Their total membership there and elsewhere was 769,727 with insurance in force of $922,846,232. Life insurance benefits paid in Manitoba during 1906 amounted to $92,233 and Sick and Funeral benefits to $399,072. The Canadian Order of Foresters, the Oddfellows Relief Association, the Sons of England and the Ancient Order of United Workmen were the chief ones concerned. In Ontario the Insurance Report for 1906 showed an immense number of Friendly Societies reporting operations. Those confined to Life insurance had 273,262 members with a total insurance in force (anywhere) of $1,405,000,000. The insurance benefits paid in Ontario during the year were $2,390,452 and the disability benefits $129,777. In Sick and Funeral benefits the amount paid was $605,000. A word must be said here as to the Ancient Order of United Workmen. Organized in Meadville, Pa., in 1868, it had done a great work in benevolent insurance but by the end of the century had begun to lose ground. The Ontario Grand Lodge in 1902 had 45,404 members, insurance of $72,200,500 and death claims of $671,450; in 1906 its membership was 37,437, its insurance $59,886,100, its death claims $861,589. In neighbouring States the decline of the Order was much greater.

Insurance legislation (Federal) of the year included the extending of powers in the Annuity Company of Canada for the

transaction of a regular Life insurance business; the incorporation of the Fidelity Life Insurance Company of Canada with headquarters at Montreal, of the Ottawa Life Insurance Company, of the Protective Association of Canada (Masonic) with headquarters at Granby, P.Q., and of the Rock Life Insurance Company, Toronto; and an Act to reduce the capital stock of the Royal-Victoria Life of Montreal. In Ontario the Policy-holders Mutual Life Insurance Company was incorporated at Toronto; in Quebec it was enacted that every person capable of making a contract could insure his life for the benefit of an incorporated institution of superior learning. It may be added that the total amount of bonds and other securities deposited with the Dominion Government, or held by Trustees in accordance with the Act for the protection of policy-holders reached, on July 10, 1907, the sum of $50,748,833. For Fire and Inland Marine insurance holders the amount so held was $11,503,810. Some of the more important Life Insurance appointments of the year were as follows:

Institution.	Position.	Appointment.
Canada Life	Director	Hon. R. Jaffray
Confederation	Director	Kenneth McKenzie
Confederation	Director	John Macdonald
Excelsior Life	Vice-President	Alex. Fasken
Excelsior Life	Director	W. H. Gooderham
Home Life	Vice-President	J. L. Hughes
Home Life	Director	C. E. Stevenson
Home Life	Director	A. G. Browning
Manufacturers Life	Vice-President	M. R. Gooderham
Manufacturers Life	Director	Dr. J. F. W. Ross
Manufacturers Life	Director	G. P. Scholfield
North American Life	Director	J. A. Paterson, K.C.
Monarch Life	Vice-President	Hon. R. Rogers
Monarch Life	Vice-President	E. L. Taylor
Monarch Life	Director	R. G. Macdonald
Monarch Life	Director	D. A. Gordon, M.P.
Monarch Life	Director	Col. S. S. Lazier
Manitoba Life	Director	Sir Alex. Lacoste
Manitoba Life	Director	James Crathern
Annuity Co. of Canada	Director	T. A. Burrows, M.P.
Crown Life	General-Manager	Wm. Wallace
Crown Life	Prov'l M'g'r (Que.)	H. J. Pratt
Mutual Life	Director	Sir H. M. Allan
Mutual Life	Director	Hume Cronyn
Mutual Life	Managing-Director	Geo. Wegenast
Canadian Guardian Life	Director	J. J. Seitz
Canadian Guardian Life	Director	M. D. Smith

Report of the Royal Commission on Insurance

The much-discussed product of the investigation carried on by the Royal Commission which constituted one of the events of 1906 was presented to the House of Commons on Feb. 26, 1907.* Signed by the Commissioners, Judge D. B. MacTavish, J. W. Langmuir and A. L. Kent, and dated Feb. 12th the Report presented in succinct form some of the more important inci-

* For full details of the Inquiry see *Canadian Annual Review* for 1906. Pages 215-35.

dents, charges, and investigations of the preceding year. To go into details here would be impossible and would be more or less a repetition of the evidence and conclusions reviewed in the 1906 volume of this Work. The Companies about which most was heard in that year were dealt with at length in the Report—the Canada Life, the Manufacturers Life, the Home Life and the Independent Order of Foresters. Criticism was free, names were given without fear or favour, and if Hon. George E. Foster, Mr. G. W. Fowler, M.P., and other Conservatives were severely scored for their relations with the Union Trust Company and the I. O. F. and subsidiary concerns, so was Senator George A. Cox for his dual position and alleged conflicting interests in connection with the Canada Life and the Dominion Securities Corporation. Mr. Foster waited till Parliament met and then proclaimed the attitude of the Commissioners, in his case, to be one of political persecution pure and simple. Senator Cox took up the subject in the same arena of discussion but, as a leading Liberal, dealt with it in a non-partisan manner. Addressing the Senate on April 4th he made the following strong points in reference to the implied charge that the interests of the Canada Life had been made subservient to his other personal interests in the Dominion Securities Corporation:

1. The securities purchased for the Canada Life were of the highest class and quite suitable for sale elsewhere by the Dominion Securities Company.
2. Every security thus purchased and every loan made by the Canada Life had to be submitted to a Board of Directors composed of men such as Dr. John Hoskin, J. W. Flavelle, Z. A. Lash, K.C., and Alex. Bruce, K.C.
3. Every such investment had to be recommended by the Treasurer and to be unanimously accepted by the Board.
4. The Canada Life was the largest purchaser in Canada of investment securities and the Dominion Securities Corporation were the largest bond-dealers in the country—purchasing or selling in the years 1900-1905 some $48,000,000 worth of securities of the kind Insurance Companies were authorized to deal in. Hence the natural conditions of business between them.

Senator Cox dealt with some other matters in a similarly clear manner. Mr. Foster precipitated a violent debate in the House of Commons upon his charges against the Commission and they can be more properly dealt with elsewhere. The general observations and recommendations of the Commission were lengthy and fairly numerous. They declared the position in Great Britain where there were no legislative checks upon investment, no standard legal reserve, and elaborate returns involving complete publicity in essential details, to be an ideal condition but impossible of application to the very different situation in Canada; where management by scientific actuaries, devotion to soundness of business basis, or accuracy of insurance results, and the presence of a large body of trained and expert actuarial advisers, were not at present conspicuous features. Emphasis was laid by the Com-

missioners upon the finding of some method for the better representation of policy-holders as tending to cure or mitigate the evils of mismanagement in funds and investments, extravagance in expenditures, unfair treatment of policy-holders in their contracts or share of profits, the making of unwise contracts, and the centering of undue power in the management. Careful study was made and analytical tables were presented regarding profits, death losses, market values, commissions, premiums, lapsed policies and reserves. The following is a summary of the chief recommendations made:

1. The policy-holders' franchise in companies where voting is now permitted should be made uniform in qualification with Directors' franchise; in companies where it does not exist no attempt should be made to force it upon them; where given it should include the right of nomination of Directors, vote at elections by proxy, by person or by mail, and abolition of notice of motion for general meetings; with it should go publication of lists of policy-holders.

2. In order to meet the general tendency of Insurance Companies to have financial rather than insurance aims, personal or one-man control should be guarded against by legislation forbidding any Director to have any personal interest as principal, agent or beneficiary in any property which is the subject of investment by his Company and by prohibiting syndicates for the handling of securities or contracts with officers for a period longer than three years.

3. A cure for rebating might be found, it was stated, in imposing by law a substantial money penalty, say, $1,000, to be recovered by any person who would sue for it, upon every Manager and Director of a Company whose agent, or agents, with or without their knowledge, made any premium rebate whatever.

4. The loading of premiums should be checked (1) by publicity and requiring from the Companies each year a statement as to the direct cost of new business, and (2) by a statutory limit upon the aggregate cost of new business.

5. The establishment of a uniform and common basis as to investment powers; the abolition of a right to invest in ordinary unsecured stocks and in foreign securities such as Mexican Traction or Sao Paulo; authorizing the Insurance Department to forbid the exploitation and operation of public utility enterprises by Insurance Companies; and prevention of the possible diversion of Insurance funds through subsidiary trust companies.

6. All future policies should include the non-forfeiture clause; annuities should be valued on the British Life tables of 1893; all policies should be incontestable after a reasonable period of time except for non-payment of premiums; classes of insurance should be limited to ordinary, whole life, industrial, limited payment term, and endowment policies.

7. Insurance contracts providing for distribution of surplus otherwise than annually should be prohibited; annual Returns should give specific information, in particular, upon the cost of new business, the assortment and allotment of profits, and the character of investments.

8. The Department of Insurance should be given power to suspend or withdraw the license of any Company guilty of improprieties not involving insolvency, and the Superintendent should have wider powers of inspection and personal initiative.

9. Life insurance operations by the State were condemned; suggestions were made for improving the system of amalgamation of companies and the transfer of business; the giving of promissory notes in payment of premiums was denounced; the making of all business to participate in

profits was condemned as was the restriction of shareholders' dividends by legislation.

A voluminous draft bill was submitted for the consideration of the Government and Parliament which embodied these and other recommendations. Amongst the interesting figures elaborated in tabular form by the Commission was the fact that in 1905 the total expected death claims of Canadian companies were $4,410,-202 and the actual claims $3,021,847; that the premiums on new business in that year were $2,631,463 and the direct cost of the new business (including commissions, advances to agents, other compensation and medical fees) $2,187,031; that in 12 companies the lapsed insurance at the end of the first year (1905) was $12,-584,946 and the amount issued in 1904 $73,518,864. .

Criticism of the Commissioners' conclusions and recommendations was severe and varied in certain quarters and most of the leading insurance men did not hesitate to express themselves clearly in that connection. Mr. David Burke told the Montreal *Herald* on Feb. 28 that the proposed restrictions would make it almost impossible for Insurance companies to earn a living and were particularly hard upon the young companies. Mr. T. B. Macaulay dealt as follows with the Stock investment matter: "Bank stock, which appears to be about the only stock we are to be free to invest in, is particularly unsatisfactory as an insurance security. As for investments in bonds I have only to point out that any company which had confined its purchases to gilt-edged securities of that class during the last ten years would have lost from 10 to 20 per cent. by their shrinkage in value and would probably by this time be insolvent. It is losses of this very kind which have made some of the strongest British companies pass their dividends in recent years and compelled them to write down their securities by millions of dollars. The whole tendency of the present financial movement is against the creditor, or the holder of the fixed value security, and in favour of the debtor-class or the owners of real producing wealth. The holding of the stock is the only way of sharing in the earnings of any undertaking, and these earnings are going up just as the value of obligations is going down." Mr. E. W. Cox, General-Manager of the Canada Life, was interviewed by the Winnipeg *Free Press* on Mar. 29. "What could we do," he asked, "if we were bound to confine our investments absolutely to mortgage loans and the stock of banks? We have in the Canada Life perhaps the strongest Board of financial men in Canada. We are shut out by these proposals from dealing in any security in which any of them may be interested, or in which any officer or official of our Company may be interested. I, personally, would have to sell every share I have. We should have to bring in the office boys as Directors, if no Director could be in any way interested in any security we bought." He denounced the Report as unfair and unjust:

We are doing business in Canada, the United States and Great Britain. We are looked upon in Great Britain as one of the strongest British companies. We claim that we are a strong British company. We have the reserve, we have the assets, to compare favourably with them. But we cannot do business in this great territory at the same price as an American Company can in the State of New York with the same population in a much smaller area; the travelling expenses alone would prohibit that. With our premium rates lower and our reserves higher it is proposed to apply the same ratio of premiums to cover expenses, and this is unreasonable. It should not be overlooked that the higher the reserve the less there is left for expenses and therefore the greater security remains for the protection of the policy-holder. The Report takes up the Companies one by one, and makes suggestions at the end. They do not say that they find the large Companies of Canada dishonestly managed, yet they have not one word to say to encourage the Life Assurance business of Canada.

Mr. H. C. Cox, the new President of the Underwriters Association, also spoke strongly at Hamilton on Nov. 18th in this connection. As to rebates he intimated a probable arrangement amongst the Companies providing restrictions and penalties; described the Commission's rebate proposals as opening the door to new abuses; and opposed the payment of annual dividends to policy-holders. "It is well known that no policy earns a surplus in the first years of its existence in view of the initial expense, however moderate, of placing it on the books, of providing the Government reserve, etc., and were it necessary to pay to the policy-holder at the end of the first year a dividend or profit, this would have to be borrowed from the earnings of the older policies, and the difficulty which it is sought to overcome would be thereby rendered unavoidable." In March the proposed new Insurance Act, as prepared by the Royal Commission, had been made public in a document of 76 large octavo pages and comprising the following recommendations: (1) Quarterly statements to be submitted regarding the stocks and bonds purchased; (2) provision for inspecting the head offices of United States companies as to Canadian business; (3) all policies to be valued by the Superintendent of Insurance once in three years; (4) all bonuses or additional commissions for new or renewal business prohibited; (5) companies holding securities which the Act would render invalid to dispose of them within a certain date after the passing of the Act; (6) Federal or Provincial stocks the only kinds companies to be permitted to invest in; (7) no Life insurance company to be interested in any way, directly or indirectly, with the promotion of another company; (8) if the Superintendent of Insurance believes real estate held by any Company is over-valued he may write off an amount; (9) the payments of rebates of any kind to be forbidden under a penalty of $1,000.

The proposals were based upon those of the New York Commission. On Nov. 24th it was announced by *The Globe* that the legislation actually to be presented by the Government to Parliament was ready; that it was based to some extent, though not entirely, upon the Commissioners' draft bill; that changes and

modifications were made in the rebate clause, the investment clause, the policy-holders' dividend regulation (from one to three years); and, generally, in the New York legislation proposed, so as to meet recent corrections and changes in that law. As eventually presented to the House—with the exception of certain Fraternal regulations strongly opposed by the Independent Order of Foresters and afterwards withdrawn—the proposals were approved as a whole by Insurance men and promised in the end to make a fair and just law.

Some very free criticism was launched at the Commission during the year for having gone to New York for its actuarial expert adviser. Able as Mr. M. M. Dawson was admitted to be it was claimed that this action brought too much of American practices, ideals, and precedents, before the Commission and eliminated British methods and principles. In *The Globe* of August 9th Mr. Dawson had an elaborate defence of his position and general views; in the same paper of the next day an Insurance Manager contributed a lengthy reply. In it the latter declared that more than one expert should have been appointed; that the members of the Commission were not insurance men and were, therefore, too dependent upon this one expert; that a deliberate effort was made to copy and embody the policy of the New York Armstrong Commission in the new Act; and that the views of Canadian insurance managers and of an English expert were ignored upon many points. During the year *Office and Field,* a Toronto Insurance paper, published a series of cartoons describing the alleged influence of Mr. G. F. Shepley, K.C., over the Royal Commission and endeavouring to prove it a biased and partisan Tribunal. Parliament had some stormy scenes in the same connection but history will probably say that whatever mistakes may have been made in the procedure, method, plan and results of the investigation or in the recommendations offered and conclusions reached—and there were some serious ones—yet the Commissioners were able and honourable men, their motives high and good and the net results beneficial to the public, to the companies, and to the policy-holders. The total cost of the Commission was announced on Dec. 5th as $95,342.

Fire, Accident and other Insurance of the Year

In 1907 the Fire Insurance condition was to some extent one of recuperation from the tremendous losses of 1906. In the case of the British America and Western Assurance Companies increased capital stock was issued and a general re-organization took place. It was understood that these Companies, strong as they were, had been compelled to call upon special resources to meet the losses in San Francisco. On Dec. 27, 1906, a meeting of the Western Assurance Co. was held and the issue of $1,000,000 7 per cent. cumulative preference stock authorized at a premium of 25 per cent. By Dec. 31st this amount ($1,250,000) was

subscribed and paid for. A similar issue of $550,000 British America stock under the same conditions was paid up ($687,500) in the same way. Mr. J. J. Kenny, who had been for so many years the successful Managing-Director of the two concerns, retired and was appointed to the management of the new branch office for the Pacific Coast States; Mr. W. B. Meikle succeeded him in Toronto and Mr. W. R. Brock became Vice-President of each of the Companies. Messrs. R. Bickerdike, M.P., D. B. Hanna, Alex. Laird, Z. A. Lash, K.C., George A. Morrow and Fred. Nicholls were added to each of the Directorates; Messrs. J. Kerr Osborne and E. R. Wood became Directors of the British America and E. W. Cox, John Hoskin, K.C., Augustus Myers and Sir H. M. Pellatt of the Western Assurance.

In Montreal, where Fire protection conditions have not been good for years, the local underwriters demanded certain assurances from the City Council as to improvements in the water supply. These not being accorded they met on Mar. 12 and decided to establish a graded increase of rates according to the district—congested or otherwise. It was pointed out that the total premium income in the City from Fire insurance was only $1,750,000 and that the fire losses of the preceding three months had aggregated $1,250,000. Later in the year the dangerous conditions in the down-town business centres continued and some Companies began to drop their Montreal policies as they terminated. On Aug. 29th a meeting of various business interests was held to consider the water supply and a Committee was appointed composed of two members of the Board of Trade, of the Canadian Manufacturers Association and of La Chambre de Commerce; together with Sir George Drummond and Messrs. F. H. Mathewson, E. S. Clouston and E. B. Greenshields; with power to consider the whole question of water supply and to act upon their conclusions.

During the year the Canadian Manufacturers Association completed the preliminary organization of their two mutual Fire insurance companies; obtained incorporation from Parliament after much opposition and in a close vote; made a canvass of their members and obtained the promise of some $4,000,000 of insurance. On May 2nd a Fire insurance deputation waited upon Mr. J. J. Foy, Attorney-General of Ontario, to urge protection against the operations of Companies which were securing insurance in Ontario without obtaining permits or obeying Provincial regulations. It was suggested that all permits be made public and that the Provincial Government should levy a tax on all premiums collected by American, or other Companies, which made no deposit at Ottawa or failed to comply with the rules. At the end of March, and after much discussion between the Toronto Underwriters and the Toronto Street Railway, it was announced that the $3,000,000 insurance of the latter concern had been

placed in the hands of certain British Companies. Other incidents of the year included a Convention of Insurance agents in Toronto, on August 23rd, at which the Ontario Local Fire Insurance Agents Association was organized with Mr. S. C. Young of Fort William as President and Neil Campbell of Arnprior as Secretary-Treasurer. It was stated at the time that there were more than 1,000 fire insurance agents in Ontario alone.

The annual meeting of the Canadian Fire Underwriters Association was held at Niagara Falls on May 26th with Mr. J. B. Laidlaw in the chair. Mr. T. L. Morrisey was elected President and Mr. A. W. Hadrill Secretary. It was announced in July that the Phœnix (Fire) Assurance Company, Limited, and the Pelican and British Empire Life Office were to be merged in one concern for the carrying on of fire, life and accident business and with funds, exclusive of capital, amounting to £6,446,000 or $32,230,000 and a combined premium income of $9,745,000. The Dominion Fire Insurance Co., with an authorized capital of $1,000,000, and a paid-up capital of $250,000, obtained licenses during the year to do business in all the Provinces. Its President was Mr. R. F. Massie of Toronto and Mr. A. Dean of the same place was appointed General-Manager. Troubles developed in the Sovereign Life Assurance Co., Toronto, over an alleged excessive payment of commissions, under contract, to Mr. A. H. Hoover, in connection with the Company's organization. Mr. Hoover was the organizer, President and apparently the chief influence in the progress of the institution. No absolute settlement was, however, arrived at. In February Mr. J. R. McLeod resigned his position of Manager in the Nova Scotia Fire Insurance Co. which he had held since its inception; and in June the Ottawa Fire Insurance Co. was re-organized by a new controlling interest and Mr. G. G. Burnett of Toronto became President, Messrs. J. Y. Ormsby and G. R. Clapp Vice-Presidents, and R. P. Templeton, W. A. Fraser, P. L. Robertson and J. A. Ready Directors.

Similarly, the Montreal-Canada Fire Insurance Co. was acquired control of by the Anglo-American Company and its Board re-organized with Mr. J. B. Lafleur as President, Mr. Alphonse Champagne as Vice-President, and H. H. Beck as Managing-Director. The Commercial Union Assurance Co. of London opened a branch in Vancouver during September. The Central Canada Manufacturers Mutual Fire Insurance Co., with headquarters in Montreal, and the Eastern Canada Manufacturers Mutual Fire Insurance Co., with headquarters in Toronto (the two Canadian Manufacturers Association concerns); the Residential Fire Insurance Co., Toronto, and the Traders Fire Insurance Co., Toronto; were incorporated at Ottawa. The Quebec Legislature incorporated the Commercial Mutual, St. Hyacinthe, the Continental Fire, Quebec, and La Compagnie Equitable d'Assurance

Mutuelle Contre le Feu, Montreal. In Manitoba the Pioneer Fire Insurance Co. was incorporated. Fire insurance statistics for the year ending December 31st, 1906—the latest official figures—may be summarized as follows:

Gross amount of risks taken during the year		$1,210,099,865
(a) Canadian Companies	$324,168,552	
(b) British Companies	672,318,145	
(c) United States Companies	213,613,168	
Total Premiums charged		18,554,730
(a) Canadian Companies	$ 4,938,534	
(b) British Companies	10,189,363	
(c) United States Companies	3,426,832	
Net cash received for Premiums		14,687,960
(a) Canadian Companies	$ 3,179,316	
(b) British Companies	8,601,374	
(c) United States Companies	2,907,269	
Net cash paid for Losses		6,584,290
(a) Canadian Companies	$ 1,602,131	
(b) British Companies	3,829,242	
(c) United States Companies	1,152,916	
Increase in gross amount of Policies over 1905		70,004,493
(a) Canadian Companies	$ 22,352,280	
(b) British Companies	22,751,606	
(c) United States Companies	24,900,607	
Total amount of risks taken outside of Canada by nine Canadian Companies		694,221,274
(a) Premiums received	$ 4,452,074	
(b) Losses paid	4,163,837	
Total amount of risks taken in Canada by the same nine Companies		271,098,753
(a) Premiums received	$ 2,657,701	
(b) Losses paid	1,414,455	
Assets of 15 Canadian Fire Companies (including un-called Stock)		12,001,542
Liabilities of 15 Canadian Fire Insurance Companies		7,798,318
Total Assets in Canada of British Companies		22,146,737
Total Assets in Canada of U. S. Companies		9,378,892
Income of Canadian Companies		2,888,262
Cash expenditure of Canadian Companies		9,953,840
Cash income in Canada of British Companies		9,512,429
Cash expenditures of British Companies		6,303,611
Cash income in Canada of U. S. Companies		3,003,742
Cash expenditure in Canada of U. S. Companies		1,974,867

In 38 years, 1869-1906, the Premiums reeeived by Canadian Companies totalled $51,165,371, the losses paid $34,205,659; for British Companies the figures were, respeetively, $150,070,080 and $100,129,274; for United States Companies they were $29,-313,801 and $18,559,713. The ehief inereases of the year in the risks taken by individual Canadian Companies were $5,931,-679 for the Manitoba Fire Insuranee and $5,433,634 for the Montreal-Canada; amongst the British Companies they were $11,126,095 for the Liverpool and London and Globe and $5,372,-362 for the London and Laneashire; amongst the Ameriean Companies they were $5,945,542 for the Hartford Fire and $3,891,020 for the Rochester-German. Analysis of the rate of expenditure,

totalling for losses, expenses, and dividends, 106·13 per cent. of the cash income did not compare favourably in Canadian Companies with the British and American rates. The cost of management in the former case was considerably larger though dividends were not included in the figures of the latter concerns. Though official figures were not, of course, available *The Chronicle* of Montreal obtained its usual yearly figures from individual Canadian Companies and the totals showed the net cash received for premiums in 1907 to have been $3,467,790 or an increase of nearly $300,000 and the net losses incurred to have been $1,868,918 or an increase of nearly $200,000.

In a meeting at Lloyds, London, on May 14, Mr. L. P. Brodeur, Minister of Marine and Fisheries, made a strong appeal, endorsed by Lord Strathcona, to the British insurance interests for greater consideration in the matter of the St. Lawrence route rates. He described at length the improvements under way. The Inland marine insurance of Canada during 1906, it may be added, totalled gross policies of $34,478,996, mostly carried by British Companies. The net cash premiums were $132,426 and the net losses paid $180,700. In Ontario there were on Dec. 31, 1906, 83 Mutual Fire Insurance Companies of all classes with a gross amount at risk totalling $230,829,723 and unassessed premium notes (net) of $7,272,031; a surplus of general assets over liabilities totalling $8,602,789; new business taken during the year of $85,834,494 and premium notes taken of $3,302,786. There were three Weather Insurance Companies with a net amount at risk of $4,154,236, and three Joint Stock Fire Companies, under Provincial charters, with a net amount at risk of $29,951,250. In Manitoba the first Report of the Inspector of Insurance for that Province, issued in 1907, covered the affairs of 8 Provincial Joint Stock Fire Companies with $6,881,450 at risk; 6 Provincial Mutual Fire Companies with $28,584,927 at risk; and 4 United States Mutual concerns with $1,369,383 at risk.

Accident Companies in Canada during 1906—including Sickness as well as Accident and Guarantee, Plate Glass, Burglary Guarantee and Steam Boiler insurance—had assets of $3,147,210 of which $2,248,986 was in stocks, bonds, and debentures and $171,618 in real estate or loans on real estate; and liabilities of $1,067,664 with capital stock paid-up or in course of collection totalling $1,294,704. The total cash income of these concerns was $1,591,147 of which $1,440,901 was net cash for premiums; and the total cash expenditure was $1,556,893 of which $640,776 was paid for losses, $835,786 for expenses and $80,330 for dividends. The Guarantee business alone included a net amount in force on Dec. 31st of $51,315,539 and the Accident business had a similar total of $172,387,352. The Employers' Liability had a total of $34,176,750, Burglary Guarantee insurance totalled

$4,588,256, Steam Boiler insurance $11,037,350. Inland Transit Companies issued policies totalling $234,292,451 in value; Sickness was insured against to the amount of $8,000,000. Plate glass insurance brought premiums of $120,356 and Contract insurance totalled $4,590,865 in the value of its policies issued. Amongst the miscellaneous Insurance Companies incorporated at Ottawa during 1907 were the General Animals Insurance Company, Montreal, the first of the kind in Canada; the National Accident and Guarantee Company of London, the Sterling Accident and Guarantee Company and the Travellers' Indemnity Company, Montreal. The chief insurance appointments of the year (other than Life) were as follows:

Company.	Position.	Appointment.
Imperial Guarantee & Acc'd't.	Director	Noel Marshall.
Ontario Accident	Director	W. D. Beardmore.
Ontario Accident	Director	J. M. Gill.
Ontario Accident	Director	J. S. Playfair.
Quebec Fire	Director	Thomas H. Hall.
Quebec Fire	Director	Alfred Wright.
Empire Accident	Director	G. W. Knight.
General Accident	Director	F. Gordon Osler.
Acadia Fire	President	C. C. Blackadar.
Acadia Fire	Vice-President	A. E. Jones.
Acadia Fire	Director	C. H. Mitchell.
Anglo-American Fire	Director	P. W. Thomson.
Boiler Inspection & Guarantee	Director	F. G. B. Allan.
Boiler Inspection & Guarantee	Director	L. B. Brainerd.
Boiler Inspection & Guarantee	Director	H. E. Roberts.
Boiler Inspection & Guarantee	Director	George C. Robb.
Sterling Acc'd't & Guarantee	Managing-Director	W. E. Fudger.
Sterling Acc'd't & Guarantee	President	Robert Thomson.
Canada Railway Accident	1st Vice-President	C. J. Smith.

II.—TRANSPORTATION INTERESTS.

General Railway Progress in Canada

The development of railway business and construction continued during 1907 in Canada despite conditions which were at once a cause and an effect in connection with financial affairs. Heavy and unusual storms in the winter of 1906-7 clogged traffic, delayed trains and passengers, hampered construction and increased cost of maintenance; labour and supplies rose in price and the former proved insufficient in quantity as well; strikes and transport troubles caused a shortage in Western coal supplies; the press was filled with complaints as to lack of accommodation and an alleged failure in transportation facilities to meet the growing requirements of the country. Yet with all the difficulties, natural and artificial, which the Railways had to face during 1907 they came through the ordeal with much to their credit in the eventual victory over varied complications; in continued and important construction and improvement work; in the meeting of financial problems and the making of satisfactory profits. Official statistics for the years ending June 30, 1906 and 1907 show this progress very clearly and the following table conveys an exact idea of railway development in Canada during these years and in the two preceding decades:*

Particulars.	1887.	1897.	1906.	1907.
Mileage	12,184	16,550	21,353	22,452
No. of passengers carried	10,698,638	16,171,338	27,989,782	32,137,319
Tons of freight	16,356,335	25,300,331	57,966,713	63,866,135
Total earnings	$38,841,609	$52,353,276	$125,322,865	$146,738,214
Total operat'g expenses.	$27,624,683	$35,168,665	$ 87,129,434	$103,748,672
Total train mileage....	33,638,748	45,780,851	72,723,482	75,115,765
Freight earnings	$24,581,047	$33,522,102	$ 81,433,115	$ 94,995,087

Divided as to Provinces the railway mileage of Canada in 1907 was as follows: Ontario 7,637 miles, Quebec 3,515 miles, Manitoba 3,074 miles, Saskatchewan 2,024 miles, British Columbia 1,685 miles, New Brunswick 1,502 miles, Nova Scotia 1,329 miles, Alberta 1,323 miles, Prince Edward Island 267 miles and the Yukon 90 miles. In the number of square miles of territory to each mile of railway Canada stands first amongst the countries;

* Note—Compiled from the detailed figures given by the Report for 1907 of the Railway Department of Canada—M. J. Butler, Deputy Minister.

in the population to each mile of railway she stands after India, the United Kingdom, France, the United States, and three Australian States. The total public aid granted to Canadian Railways was, on June 30, 1907, $181,298,412 according to revised figures compiled by the Department. Of this amount $128,827,648 came from the Dominion, $35,123,130 from the Provinces and $17,346,633 from the municipalities. There were also large Dominion grants of land earned up to 1907 totalling 31,762,954 acres. Of the provinces Quebec had granted 13,324,950 acres, British Columbia 5,287,387 acres, New Brunswick 1,647,772 acres and Nova Scotia 160,000 acres. The capital invested in the railways of Canada was placed in 1907 at $588,563,591 in shares and $583,369,217 in funded debt. The total net earnings of this fiscal year were $42,989,537 as against $38,193,430 in 1906. The proportion of operating expenses to earnings was 70·70 per cent.; the average earnings per ton were $1.47; the average receipts per passenger $1.42; the earnings per train mile were $2.11; the cost of running a train one mile was $1.24; the gross earnings per train per mile were $1.95. The increase in total earnings over 1906 was 17·09 per cent., in operating expenses 19·07 per cent., in freight earnings 14·09 per cent., in passenger earnings 17·00 per cent.

The year under review commenced with immense construction projects. In March it was estimated that 5,800 miles of road were then under contract between the Great Lakes and the Rocky Mountains—including 1,500 miles of the Canadian Northern, 1,400 miles of the Canadian Pacific, 1,000 miles of the Great Northern, and 1,900 miles of the Grand Trunk Pacific. Thousands of men were employed during the ensuing months; 60,000, it had been said at an earlier date, were needed; dozens of new Western towns sprang up in the summer as a result of the combination of Railway building with increasing immigration; by September, 1907, it was estimated that 3,011 miles were actually under construction. The great bulk of this construction involved, of course, heavy outlays and although most of the money was borrowed in England, a great deal of it was also expended abroad in the purchase of supplies. The most distinct results upon the condition of the country as a whole were, therefore, to be seen in the swelling of the imports, the payments of large sums for labour, and the use of a certain proportion in purchases from native industries such as the iron and steel companies.

In Electric Railways there was not much construction during the year although there were many and varied discussions of Civic and other problems connected with these lines. There was also some marked development in the business figures and the investment of capital. The total mileage was 813 in 1906 and 814 in 1907 as compared with 557 in 1902; the paid-up capital increased

from $63,857,967 in 1906 to $73,567,795 in the following year; the gross earnings were, respectively, $10,966,871 and $12,630,430; the net earnings $4,291,834 and $4,971,624. The earnings in 1907 included $12,013,421 from passenger traffic. The total operating expenses in 1906 were $6,675,037 and in 1907 they had increased to $7,737,251; the maintenance of way and building cost, respectively, $608,767 and $765,684; the cost of motive power was $1,242,075 and $1,412,358; the maintenance of cars cost $894,460 and $1,060,783; the general and operating charges were $3,929,733 and $4,498,424 respectively; the total car mileage in 1906 was 50,618,836 and in 1907 53,361,227; the passengers carried numbered, respectively, 237,655,074 and 273,999,404; and the tons of freight carried were 506,024 and 479,731 respectively. Within six years the mileage had increased 40 per cent., the paid-up capital 88 per cent., the gross earnings 188 per cent., the net earnings 113 per cent., the operating expenses 125 per cent., and the passengers carried 126 per cent.

In Canada the principal Street Railway systems, from the financial and commercial standpoint, are those of Toronto, Montreal, Ottawa and Winnipeg. The Toronto Company in recent years has almost entirely relaid its 605 miles of road with heavy rails, has built many new cars, obtained a satisfactory delivery of electric power through the Electrical Development Company of Ontario and equipped its system with motors from the works of the Canadian General Electric Company. The gross earnings of this system increased between 1897 and 1906 by $2,000,000 in round figures, its operating expenses by $1,100,000, its net earnings by $900,000 and its passengers carried by 51,000,000. During 1907 its General-Manager was Mr. R. J. Fleming; the President for many years has been Mr. William Mackenzie. The franchise of the Railway was a 30-year one commencing Sept. 1, 1897, and the Company's suburban system was known as the Toronto and York Radial Railway with a mileage of 75 miles. The Montreal Street Railway Company had, in 1906, a mileage of 131 and a franchise running for 30 years from August, 1892. Its President was the Hon. L. J. Forget and Managing-Director Mr. W. G. Ross. The Montreal and Park Island Railway was a suburban line. The Winnipeg Company owned and operated in 1906 over 30 miles of electric line with control of an exclusive local franchise until 1927—and in St. Boniface until 1943. Mr. William Mackenzie was President and F. Morton Morse Secretary-Treasurer. Between 1904 and 1906 the gross receipts increased by $580,000 and the passengers carried by 7,700,000. The Ottawa Company had, in 1906, 42 miles of track with a franchise running for 30 years from August, 1893. Mr. T. Ahearn was President and J. D. Fraser Secretary-Treasurer. Between 1898 and 1906 the gross receipts increased nearly $300,000 and the passengers carried by 6,300,000. Some detailed statistics follow:

Electric Railway.	Date of Statement.	Capital Paid-up(1) Bonds (2).	Net Earnings.	Total Assets.	Passeng'rs Carried.
Montreal Street Railway.....	September 30, 1907..	$8,829,590 2,473,333	$1,398,990	$16,217,555	115,416,468
Quebec Railway Light & Power Company	June 30, 1907	2,953,000 2,500,000	232,415	6,004,458	5,515,128
Ottawa Electric Railway.....	December 31, 1906..	998,200 500,000	218,258	1,931,547	11,408,422
B.C. Electric Railway Co., Ltd., Vancouver	June 30, 1906	5,000,000 2,290,000	128,250	8,315,035	12,395,582
St. John Railway Company ..	April 30, 1907	800,000 700,000	51,342	1,865,931	.....
Halifax Electric Tramway Co., Ltd.	December 31, 1906..	1,350,000 600,000	141,808	2,363,794	3,783,801
London Street Railway Co...	December 31, 1906..	531,792 500,000	17,559	1,088,573	5,502,555
Toronto Railway Company ..	December 31, 1907..	8,000,000 3,613,373	1,617,961	14,621,656	85,574,788
Hamilton Cataract, Power, Light & Traction Co.....	December 31, 1906..	4,609,600 3,787,550	259,412	9,255,350	.....
Winnipeg Electric Railway ..	December 31, 1907..	5,320,950 5,400,000	946,675	13,072,562	20,846,317

In the general railway history of 1907, as apart from the record of the greater railways, there were some important incidents. The Railway Committee at Ottawa on April 4th refused to accept a Bill of incorporation for D. C. Corbin's projected line from the Crow's Nest Pass to the boundary because of its covering the same country as the South-east Kootenay Railway which had been already chartered. On Sept. 27 the last spike was driven on the Minnesota and International Railway connecting, as part of a system, the town of Berridge in Northern Minnesota with Fort Frances, Ont. Not long before another and competitive line had been run into the Rainy Lake district with the intention of giving Fort Frances connection through the Northern Pacific with Fort William, Duluth and Winnipeg. In June it was stated by the Montreal *Gazette* that the Atlantic, Quebec and Western Railway had purchased the Atlantic and Lake Superior line, extending from Paspebiac to Metapedia, for $2,000,000. Eventually the combined system was to extend to Gaspé Bay in the east and Edmundston, N.B., in the west and connect with the Grand Trunk Pacific. On July 11th Mansonville, P.Q., celebrated the local arrival of the Orford Mountain Railway, on its way to reach the Vermont boundary, and banqueted Judge S. W. Foster, the President of the Company.

The announcement was made on July 10 that the Delaware and Hudson Railway had acquired the Quebec, Montreal and Southern Railway running from St. Lambert to Pierreville, Quebec, and concerned in the development of the pulp-wood region as well as in the popular passenger route to Murray Bay. Various negotiations extending over some time resulted in Federal legislation during the year legalizing an agreement between the Grand Trunk Pacific, the Canadian Northern and the Commissioners of the Transcontinental Railway in regard to joint terminal facilities for freight and passengers at Winnipeg which were to cost over

$4,000,000. On Nov. 30th a new branch of the Quebec and Lake St. John Railway, giving Quebec City direct connection with the northern hinterland surrounding La Tuque, was inaugurated by Hon. W. A. Weir, Hon. L. R. Roy, Sir F. Langelier, Mayor Garneau of Quebec, Mr. Gaspard LeMoine and others who attended the ceremonies and banquet in honour of the event. At St. Mary's, Ont., the first sod of the St. Mary's and Western Railway, connecting St. Mary's with Embro and the C.P.R. system, was turned on May 14. An unpleasant incident was the discovery in December of a shortage, estimated at $185,000, in the books and accounts of A. H. Anderson, Treasurer for many years of the Quebec Central Railway.

The usual number of Railway projects were discussed or put into some preliminary condition during the year. Not much was heard in Canada of the vaunted Pan-American road running from Dawson in the north to Buenos Ayres in the extreme south of the Southern continent; with a length of 13,467 miles and an estimated cost of $200,000,000. Of this undertaking, according to elaborate press articles, 7,000 miles were in operation (February, 1907) and 2,389 miles under construction; including in the latter category 1,686 miles between Dawson and Vancouver. How far these figures were accurate is another question, as was the prospect of really unifying the varied and separate railway interests involved. The Canadian Pacific's plans, through its Esquimalt and Nanaimo line, for developing Vancouver Island; the projects in the same locality of I. H. Wheatcroft, with his Kentucky and British associates; the incorporation of the Saskatchewan Valley and Hudson's Bay Railway, running from Edmonton to Fort Churchill; the alleged project of English capitalists, represented by R. A. Lawther of London, to build a road 1,400 miles from Dawson to Edmonton; the projects of the Athabasca Railway Company up Slave River and into the far North; were all incidents of this period. It may be added here that the Department of the Interior issued a Railway map of Canada during the year which was of much value and indicated clearly the different sections of the Grand Trunk and National Transcontinental, the Canadian Pacific, the Canadian Northern, the Great Northern, the Michigan Central, the Dominion Government and Ontario Government Railways. It indicated the sections under tender, under construction, and merely located. The Canadian Pacific had 9,306 miles in operation, the Grand Trunk 3,708 miles, the Canadian Northern 3,946 miles, the Dominion Government 1,719 miles and the Great Northern (Mr. J. J. Hill) 470 miles.

Railway Problems and Controversies of the Year

There were various transportation problems discussed by the people during 1907. Troubles arising out of car shortages, grain blockades and weather conditions, generally, induced a tendency in some Western quarters to support the idea of Government ownership of railways. The Winnipeg *Tribune* urged this policy

vigorously in the West; as did the Toronto *World* in the East. The success claimed for Australia, where it was said the State of Victoria showed a net profit, or surplus, in 1906 of $2,000,000, was cited; the example of so many European countries and the more recent action of Japan in acquiring its railways were referred to; difficulties of acquisition and compensation, great differences in space and conditions, were not dealt with, but roseate hopes of improved facilities were freely expressed. An illustration of this feeling may be seen in a Resolution passed by the Davidson (Sask.) Board of Trade on Feb. 4th which described an alleged failure of the railways to haul coal and wood for a certain needy community, to keep some of the branch lines open for traffic, or to operate trains, and proceeded as follows: "Now, therefore, be it resolved, that this Board of Trade believes that the only remedy possible is for the Government to expropriate the Railways and operate them as Government roads and that the Government should also expropriate the coal mines and operate them for the benefit of the people of Canada."

Reciprocal demurrage was a question actively discussed in certain circles. The demurrage charge levied by railway companies upon customers who give an order for a car to be loaded with freight and then keep it standing empty for over 24 hours was criticized and defended with energy. Its imposition, under certain conditons, could not be reasonably denounced, but the issue was raised chiefly in connection with the car shortages of the year. If, it was argued in some quarters, a heavy fine could be imposed upon shippers for delay in loading cars, then the railways should be proportionately taxed for delay in supplying customers with cars properly asked for. A Resolution along this line was passed by the Manitoba Grain Growers' Association on Feb. 7th. The subject was dealt with at length before the Grain Commission; and the Canadian Manufacturers Association also urged the imposition of a reciprocal obligation upon the Railways. In the Montreal *Gazette* of Jan. 12 a railway view was given as follows: "The railroads give a reasonable time for the handling of freight in their cars. When the shipper does not handle his goods in that time he is charged a dollar a day for the use of the car. Probably at the same time the car could be earning three or four times as much for the railroad company. And there is another aspect to the question—while the one shipper is holding the car he is preventing other shippers from getting it, and they may be needing it badly."

Questions of freight traffic, prices, and discrimination in rates were, of course, conspicuous and most complicated in details. Mr. John Pullen, Assistant Freight Traffic Manager of the Grand Trunk, in an able address in Montreal on Dec. 3rd, indicated how complicated the details could be when he stated that the great Railways had local tariffs and joint tariffs; export tariffs and

import tariffs; standard tariffs and differential tariffs; all-rail tariffs and ex-lake tariffs; ocean and rail tariffs and lake and rail tariffs; winter tariffs and summer tariffs; eastbound tariffs and westbound tariffs; class-rate tariffs and commodity tariffs; association tariffs and individual tariffs. In Canada there was, he pointed out, a maximum tariff fixed by law and beyond which the railways could not go. "This maximum tariff is constructed upon a mathematical scale starting with a certain rate per ton per mile for a certain class of traffic for a given distance. As the distance increases the rate per ton gradually diminishes, though the rate itself, expressed in cents per one hundred pounds, naturally increases. Each class of traffic, of which there are ten under the freight classification in use in Canada has a fixed relation to each other class and this relation is expressed in terms of percentages." Mr. Pullen claimed it to be in the interest of the Railways and the Freight departments and the Freight agents, alike, to meet the shippers with satisfactory rates adjusted to suit business conditions, and the development of local interests and industries, and helpful to the evolution of new shipping concerns and customers. He concluded with a strong argument against the popular cry for more railways and greater facilities and, at the same time, lower rates:

> Is it reasonable or just to expect that the cost of everything else should rise, while at the same time the price of transportation should fall? It is obvious that with the diminishing unit of revenue and increasing expenses, the railways must slowly but surely reach the point when net earnings disappear, when their credit will be seriously impaired, and when they cannot raise in the financial markets of the world sufficient capital to carry on the work of improvement and expansion which the growth of the country requires. If they cannot guarantee investors that their money will yield fair returns they cannot borrow. If they cannot borrow money they cannot spend, consequently the country suffers from the unavoidable curtailment of railway expenditures. For every dollar which a railway earns from its traffic it pays back 70 cents, approximately, to its employees for labour, to manufacturers and merchants for supplies, and to the country in taxes. If its rates are reduced by say 20 per cent. it can only earn 80 cents where it formerly earned $1.00. It will, therefore, only be able to spend 56 cents where it spent 70 cents before. It must reduce its expenses in the same ratio as earnings are cut down. This would involve possible deterioration in the physical condition of the track, rolling-stock, and service, and in reduction of wages which would inevitably result in strikes and all sorts of labour troubles. The public which sells to the railways will soon find they are losing rapidly the business of their largest customers. Furthermore, the railways will be prevented from improving, as they wish to do, their transportation facilities, and from increasing their locomotive and car equipment which the public demands as a necessity to meet the growing requirements of the country.

The question of a two cent rate on the railways of Canada was an issue during the year. A Judicial decision appeared to revive certain dormant obligations of the Grand Trunk charter in this respect; Mr. W. F. Maclean, through the Toronto *World* and in Parliament, continued his agitation for enactments similar to

those proposed or already in force in fifteen of the American States; the House of Commons discussed the question on Jan. 30th and the Railway Commission at a later date took the subject up. In the House, on the above date, Mr. R. L. Borden moved a Resolution declaring: "That it is expedient that the Board of Railway Commissioners for Canada do inquire, determine and report with the least possible delay whether or not the tolls charged in standard passenger tariffs should be reduced so as not to exceed two cents per mile upon all or any of the railways in Canada; and that the Government under the provisions of the Railway Act, and especially the 24th Section thereof, should forthwith take such steps as are necessary for this purpose." In the ensuing Parliamentary and press discussion United States precedents were plentifully quoted; the apparent injustice of a three cent rate on one side of the border and a two cent rate on the other enlarged upon; the alleged interests of the people and the public as against the corporations dealt with; the success of the regulations in Ohio and Michigan freely quoted; the example of a continuous enforced reduction of rates in different States pressed upon popular attention; the present profits of Canadian railways and their alleged disregard of popular rights strongly urged.

On the other hand it was pointed out that to many of the smaller roads a two cent rate meant ruin and a condition in which the roads could neither be sold nor worked; that to cut off one-third of the earning powers of the passenger business in a sparsely settled country was not only confiscation but dangerous confiscation; that such a policy would disturb existing investments and injure national and general credit; that it would reduce the power of railways in all matters affecting the public comfort and speed of travel; that conditions were vastly different in a crowded community such as that of Michigan or New York and very many parts of Canada; that the steady rise in the cost of materials, taxes and labour greatly added to the problem of rates; that with all their better conditions of traffic the estimated loss to the Railways in 8 Western States of the Union under a proposed two cent tariff would be $19,475,000 a year; that in Canada it would involve the shutting down of excursions and special rates and in the end be worse for the farmer rather than better and certainly worse for the summer pleasure-seeker. During the debate in the House Mr. Emmerson, Minister of Railways, carried an amendment to Mr. Borden's motion, leaving the subject to the Railway Commissioners, who were stated to be already inquiring into it. On Feb. 5th the Railway Committee of Parliament rejected a clause in a measure presented by Mr. Maclean which involved a two cent rate. On May 3rd the Western C.P.R. Conductors and Trainmen, meeting in Winnipeg, passed a Resolution declaring such a law to be "suicidal to the interests of the Canadian West," and stating it to be manifestly unfair to attempt to reduce the passen-

ger rate in this country to the rate applied in older and more densely-populated countries. As a result of the long-continued agitation of the Canadian Manufacturers Association some conclusions in connection with Freight charges were reached by the Railway Commission during the year. Freight classification was revived, new rules made, and various changes embodied, in the regulations which came into force on September 1st.

One of the problems which the Railways had to face during the year was the operation of the Lord's Day Act. They all complained, and it would seem with reason, that the measure injured their through traffic, inconvenienced shippers, and reduced their business and returns and profits very considerably. Mr. A. F. Dillinger, the special Western representative of the Railway Commission, in reporting upon the C.P.R., stated that the Act involved a reduction of 21 per cent. in the capacity of that road. Grand Trunk officials at Toronto told the same body on Sept. 12th that certain work—such as track repairing—was imperative on Sundays and that the Railway could not lay off one day in the week without congestion of traffic, delays in shipment and injury to shippers and goods. Mr. M. J. Butler, in the annual Report of the Railway Department, stated that so far as his experience with the Intercolonial was concerned—as Deputy Minister of Railways—" the effect of this enactment is to reduce the working capacity of the locomotive and rolling stock of the road by about one-eighth, through enforced idleness, and further to increase by a proportional amount the demands on the service on week-days to make up for this period of inaction. As a consequence, a very large addition must be made to the locomotive and car supply solely to cover this additional strain, together with the provision of larger yards to hold the necessary additional stock; apart from any consideration of increased requirements on other grounds." The Lord's Day Alliance, however, with its increasing membership—numbering 40,000, as compared with 8,000 in 1901—was implacable in its hostility to any modification of the Act. Its Annual Report, on Nov. 29th, included this clause: " The principal forces openly arrayed against the working of this measure are the great transportation and other corporations that desire on various grounds to continue the running of their industries and the employing of their men for seven days in the week."

The standing subjects of controversy between the City of Toronto and the Railways—Grand Trunk, Canadian Pacific and Canadian Northern—went through some new forms of discussion in 1907. The Toronto *World,* which continually and vigorously attacked the Railway interests for alleged indifference to the City, for assumed favouritism to Montreal, for poor accommodation and slow traffic in Ontario generally, promulgated a platform on May 8th which included the earliest possible completion of a railway from Toronto to Hudson's Bay, the centering of administrative

railway control over Ontario transportation in Toronto and not Montreal, and the public ownership of electrical energy for Toronto and all Ontario. The question of protecting existing level crossings in the City was prominently before the people, in connection with sundry accidents during the year, and an effort of the Railways to obtain easier eastern access to the City by running along the Lake beach in and through residential districts where two Parks were located, aroused very vigorous protests. A public meeting in the City Hall on Jan. 10th passed a Resolution of protest unanimously.

The Railways claimed that some such access was essential to the business interests of Toronto, as well as to their own necessities; that they would pay for all legal damages involved or private property required; and that in time many factories would take the place of the present houses along the route. On Jan. 9th Mayor Coatsworth and a Civic deputation waited on the Minister of Railways, and Mr. Emmerson put the subject in this form: "One of the essential facts to be determined," said the Minister, "is whether there is any other feasible route by which to approach the City of Toronto, having regard to what are recognized as modern conditions for a railway? As to gradients and curvatures, everyone will admit that the present approaches to Toronto on the east by all railways are not favourable to transportation, and it is certainly in the interest not merely of Toronto, but of the whole country, that better gradients should be secured. I believe the conditions are very unfavourable with respect to the Canadian Pacific and the Grand Trunk as well. Now the Canadian Northern are coming in and seeking the same privileges. It is very desirable that they should have proper gradients." He promised most careful consideration of the whole subject. A further conference was held with Mr. Emmerson on Jan. 18th.

At a Convention of seven Eastern municipalities, held at Bowmanville, Feb. 7th, for the purpose of organizing a concerted policy for obtaining greater railway facilities, exactly the opposite position to that of Toronto was taken and a strong Resolution was passed urging upon the Minister and the Railways concerned a common Lake Shore route for all lines entering the City from the east and for the following special reasons: "That a common route from Port Union to Toronto, along the base of Scarboro' Bluffs, for all railways entering the City from the east, by avoiding the 300-feet climb over the heights, would greatly reduce the cost of conveying freight and quicken passenger service from Toronto eastward; that such an entrance would, for the reasons stated, be to the interest alike of the railways, the great business and industrial enterprises of Toronto and the whole of Eastern Ontario; that it would be to the advantage of the Canadian Northern and Canadian Pacific to pass through the several towns and cities on Lake Ontario." On March 18th Mr. Cecil B. Smith, C.E.,

submitted a Report to the Toronto authorities which declared that an alternative route, avoiding the Beaches, could be obtained, though it would necessarily damage some localities. Finally, on May 28th, the Minister of Justice decided that the question at issue did not come under the jurisdiction of the Railway Department; and Parliamentary enactment, or an appeal to the Supreme Court, seemed to be the only alternative for the Railways.

The ever-present Yonge Street Bridge question—the protection of a much-used railway crossing on the Lake front of the City—went through some new phases. The proposition placed before Parliament in March was that the City should build the over-head bridge and pay one-third of the cost; but the Senate rejected the clause of the Bill embodying this proposal and the measure was withdrawn. Mayor Coatsworth then urged the Railways to go on with construction and leave the question of liability as to the cost to be determined afterwards by the Courts. In January, 1904, the Railway Commission had ordered the Grand Trunk and Canadian Pacific to build this bridge at their own cost; in December, 1905, Mr. Justice Anglin of the Ontario High Court decided that the Railway Committee had jurisdiction and that the Order was valid; on Sept. 17, 1907, the Court of Appeal, Ontario, upheld this decision. Appeal still remained, however, to the Supreme Court and the Imperial Privy Council as to jurisdiction and to the new Railway Commission and the Governor-General-in-Council as to the justice of the Order. It was, therefore, still a question of years. A subsidiary issue was the effort of the City to make the Canadian Pacific pay the full expenses of protecting a minor crossing at Bathurst and Avenue Road. The decision of the Privy Council, in final appeal during November, was against the City's contention. Had it been otherwise the Railways would have been affected all over Ontario and become liable for an estimated sum of $1,000,000 annually.

The question of a new Union Passenger Station had been settled between the Railways and the City by agreement on April 22nd, 1905, and different plans for its construction were discussed during the current year. The old-time disputes between the Toronto Street Railway and the City came before the Imperial Privy Council and were settled, in the main, against Toronto and in the Company's favour. The problem of connecting Vancouver Island with the Mainland in British Columbia made some progress as a subject of discussion. Mr. D. M. Eberts, K.C., during the general elections, came out strongly for such a connection; the Board of Trade of Victoria continued its efforts to persuade the Dominion authorities to organize a survey of the approaches to Seymour Narrows; in reply to inquiries Mr. Hays of the Grand Trunk stated that no scheme had yet been considered by his Company, Mr. Mackenzie of the Canadian Northern asked for fuller information, and Sir Thomas Shaughnessy said the Canadian

Pacific would not at present consider such an extension; Mr. R. P. Rithet, in an elaborate memorandum published on July 5th, strongly favoured construction of the proposed British Pacific Railway, with its route from the Northern end of the Esquimalt and Nanaimo Railway on the Island, by way of Seymour Narrows, Bute Inlet and Cariboo, to the Yellowhead Pass through the mountains.

The Vancouver controversies with the Vancouver, Westminster and Yukon Railway were much to the front in 1907. The Railway Commission on April 18th gave judgment as to four applications of this line to construct branches in or through Vancouver. They were vigorously opposed by the City, which was represented by Mr. G. H. Cowan, K.C., and two of them by the Canadian Pacific and the British Columbia Electric Railway. It was claimed that the V. W. & Y. really desired, through the guise of building branches, to obtain rights in a large area of land at the head of False Creek, now owned by the City and estimated to be worth $2,000,000. For the time being the Railway Commission withheld its approval to all but one of the branch lines. On August 1st it was announced that a basis of agreement had been reached between the Civic authorities and the Railway officials. Further trouble arose over the forcing of traffic through certain congested streets of the city and again the question came before the Railway Commission. Finally, an Order was issued permitting the Vancouver, Westminster and Yukon Railway to effect a junction with the Canadian Pacific branch in the south side of False Creek; and the *Province,* of August 7th, joined in congratulating the City, the Railway, Mr. Cowan, who had acted for the former, and Mr. John Hendry, the President of the latter, upon the settlement reached. At the close of the year the City Council received proposals for a joint passenger station at Dupont Street, joint shipping facilities at Burrard Inlet, and separate freight yards at False Creek, on behalf of the Great Northern, the Vancouver, Victoria and Eastern, and the Northern Pacific.

Transportation Troubles, Car Shortages, and Railway Equipment

The Railway troubles of the year in rush of traffic, storms, difficulty of obtaining equipment, inability to meet demands for cars, delays in transport of goods, were not confined to Canada and, in fact, were hardly as serious in their character as they were in parts of the United States. They were bad enough, however. During the severe storms of the early winter the operations of the Canadian Northern in the West were more or less tied up, the Grand Trunk in parts of Ontario suffered severely. There were car shortages everywhere, in addition to the other complications of the season, caused in part by the tremendous expansion of business during 1906 which had not yet been checked, and in part by inability of the car factories to meet the demands upon them—conditions which were continental in their application.

The battle of the Western railways with piled-up masses of drifted snow on the prairies, and with all the warfare of the elements seemingly directed against the passage of their trains, was a picturesque but costly and perilous development of this winter of 1906-07, which has been frequently described as the worst in the history of Western railroading. A writer in the Winnipeg *Telegram* (Feb. 23) after interviewing the railway managers in Winnipeg declared that "not since the first rail of the C.P.R. was laid on the Western prairies have the railroad men had such continuous stormy weather to contend with. Now that the fight with the elements is about over and the roads are getting their breath again the men who have borne the brunt of the battle with snow and ice and cold in the endeavour to keep from six to eight thousand miles of road in the Canadian West open, can look back with a certain amount of complacency over what they have endured. Only railroad men can appreciate the risks that were undergone, the suffering and hardships that were entailed, the powers of persistent endurance that were required in the long, weary fight with the snow." Mr. E. A. James of the Canadian Northern told the *Free Press* in January: "I have spent practically my whole life railroading in the West and never have I seen a year anything like this."

These exceptional conditions, of course, caused much inconvenience and loss and some suffering; although both individuals and newspapers were prone to exaggerate the results. On Jan. 2 it was reported from Prince Albert that more snow had fallen in the woods than at any time in the recollection of men who had spent 50 years in the locality. The timber industry there and south to Dauphin, Man., and west to Edmonton was temporarily affected in a more or less serious measure. At the same date the recent storms in Manitoba had stopped the C.N.R. trains in various parts of the Province; Neepawa feared a fuel famine and Boissevain found itself short of coal; at some points in the West railways had to refuse more freight; nearly everywhere shipments were delayed and passengers at many points in these weeks were storm-stayed for varying periods. On Jan. 29th Snowflake, Man., was reported to have had no train for eleven days; Brandon was stated to be so short of fuel that its schools had to be closed; a blizzard in Alberta on Jan. 31st caused much suffering and many deaths amongst its thousands of ranch cattle; on Feb. 4 Davidson, Sask., asked for outside help in the matter of coal and the Provincial Minister of Agriculture declared that acute distress existed on the line north of Regina. "I have been in this country 24 years," said Mayor Smith, of Regina, "and this is the worst winter in my experience." The fuel shortage was, of course, partly caused by the troubles in the Lethbridge and other mines, but it was also greatly increased by current transportation difficulties. On Feb. 1 Mr. W. R. Motherwell, Saskatchewan Commissioner

of Agriculture, addressed a circular letter to the Mayors of the Province, in which he gave a list of certain points on the C.N.R. and C.P.R. branch lines which were affected by existing conditions, and made the following statement and appeal:

> We wish to say that conditions are not improving but are, if anything, growing more critical. If the present unusually severe and stormy weather continues for any considerable length of time it will be practically impossible to haul coal into the Provinces as fast as it is being consumed. The Government and the Railways have done and are doing everything possible, under the circumstances, but we have now come to the point where we must appeal to every man in Saskatchewan to do his part. Citizens are asked to be as economical as possible in the use of fuel. People living within twenty-five miles of woods are asked to make an organized effort to break roads and haul wood. This cannot be very well done by individual effort; but with organized companies of men and teams it can be accomplished though it may occasion a great deal of inconvenience and hardship. . . . . Strange as it may appear we seem to be suffering from a plethora of unusual development and prosperity. Growing countries like growing children suffer from growing pains. The good things that this Province has to hold out to intending settlers in the way of successful home-making have induced immigrants to pour in in such numbers that transportation and other necessary facilities cannot be supplied quickly enough to meet the bare necessities of the case. As to who is to blame, or as to whether or not anyone is to blame for this failure on the part of the people and of the railways to keep pace with the requirements of this rapidly-growing country, this is not the time to discuss.

Meanwhile, in Winnipeg conditions were decidedly unpleasant. Storms still continued throughout the West, and on Feb. 7th coal was reported, locally, as very scarce and was selling at $3.75 in quarter-ton lots and $5.75 for half-tons. Snow blockades between Winnipeg and Fort William and Port Arthur had severely hampered the C.P.R. and C.N.R. in their efforts to relieve the situation; but on this date Mr. William Whyte, of the former road, announced immediate supplies by the Soo line *via* Duluth—apparently out of the Railway's own resources. During March conditions greatly improved, and in April the extreme cold and heavy storms were matters of the past; the fuel shortage settled itself, and the Railways were able to grip the situation with organized force. Effects were not so easily removed, however, and of these the chief was the delay in transporting the 1906 crop to the market and a shortage in elevator facilities; with the consequent elements of complaint from shippers and farmers. All these difficulties and others mentioned above were also rife on the United States side of the border. Storms and delayed traffic and tied-up trains and fuel shortages were as pronounced, if not more so, during this period in Minnesota and the Dakotas as in Manitoba and the new Provinces. The latter had, however, to meet the influx from the border States of 65,000 settlers during 1906 and nearly as many more in 1907 to say nothing of those from Great Britain and elsewhere; and the Railways also had to bear the

brunt of carrying heavy increases in freight from that source as well as of the increased home production in grains, etc. Speaking of conditions in both the American and the Canadian West, President Howard Elliott, of the Northern Pacific, described them as follows (*Globe,* Mar. 14, 1907):

> This excessive demand upon transportation facilities has been concentrated in the North-west into five years instead of ten; has become acute and phenomenal in the last two. Hence all over the country delays in transmission of goods, car shortages, complaints. Not only tracks but terminals are inadequate. Railroad yards in all the great cities are choked with cars awaiting transfer. The average mileage of each freight car is about twenty-five miles per day; the average speed from twelve to fifteen miles per hour. The freight equipment of the country has, by reason of this double congestion, rendered only a fraction of its potential service. Confronted by an emergency, the railroads of the North-west have met it with energy, boldness and liberality. They have increased motive power and car capacity to the limit of production in locomotive and car shops. They have utilized every pound of steam and every cubic foot of car space. They are spending from ten to twenty million dollars a year on new equipment. They are so operating their lines that the people of the North-west can get more service, more freight carried for each unit of equipment and each mile of road than do other sections where conditions are more favourable. All that men and money and technical skill and experience can do is being done to satisfy the needs of the business.

Mr. Elliott, however, admitted that these efforts had not been sufficient. As to the coal shortage, extending from Los Angeles to Vancouver and from Salt Lake to Spokane, he declared the situation critical and urged that the carrying of coal from British Columbia into the West be made easier and that new mines be opened up. The Interstate Commerce Commission reported, on Jan. 2, to President Roosevelt that the American railways in the West had been overwhelmed by the extent of the crop and the movement of grain; that in the north-western States there was a combine amongst coal dealers which was largely responsible for the fuel shortage; that cars were not available for all the traffic offering. So far as Canada was concerned there was no actual coal combine, but the strikes took the place of that element, while contiguity, no doubt, caused some trouble from the United States combinations.

As to the car shortage the comments of a part of the press were bitter and reflected keenly upon the Railways for alleged unpreparedness and indifference to the growing needs of the country. In far-away Saskatchewan this problem had always been prominent, since grain-production became a factor in its rushing progress, and with it was the lack of sufficient elevator accommodation—the production of wheat in 1905 and 1906 being at least twice as rapid as the growth of storage facilities. President Simpson, of the Regina Grain Growers' Association, on Jan. 10th, told the Railway Commission that the farmers of the Province had lost $1,250,000 on the past year's crop owing to the shortage in

cars and elevators. In British Columbia the millmen complained greatly of the difficulty in obtaining cars to transport shingles or lumber—one dealer stating in March that he had orders for 50 cars of material which he could not deliver before June. Similar evidence was given as to the prolonged shortage of cars in the Crow's Nest and other Mining regions. In the Senate on April 5, Mr. Melvin Jones charged the railways with racing against each other in the construction of new lines instead of properly operating their existing lines. On April 25th the Liberal members of Parliament for Manitoba, Alberta and Saskatchewan presented a Memorial to Mr. Fielding, Acting-Minister of Railways, which stated that:

> The lack of motive power and other equipment has resulted in a great loss and inconvenience and in many cases actual suffering and loss of life and property. The neglect of the railway companies to provide such equipment should be met with the penalties provided by law. The argument advanced by at least one of the railway companies, before the Railway Committee of the House of Commons, that similar conditions exist all over Canada and other parts of the continent, cannot be established. No such complete breakdown in transportation service as now exists in the West can be found anywhere in America, and is unprecedented, and demands the immediate attention of everyone in authority having anything to do with our transportation problems.

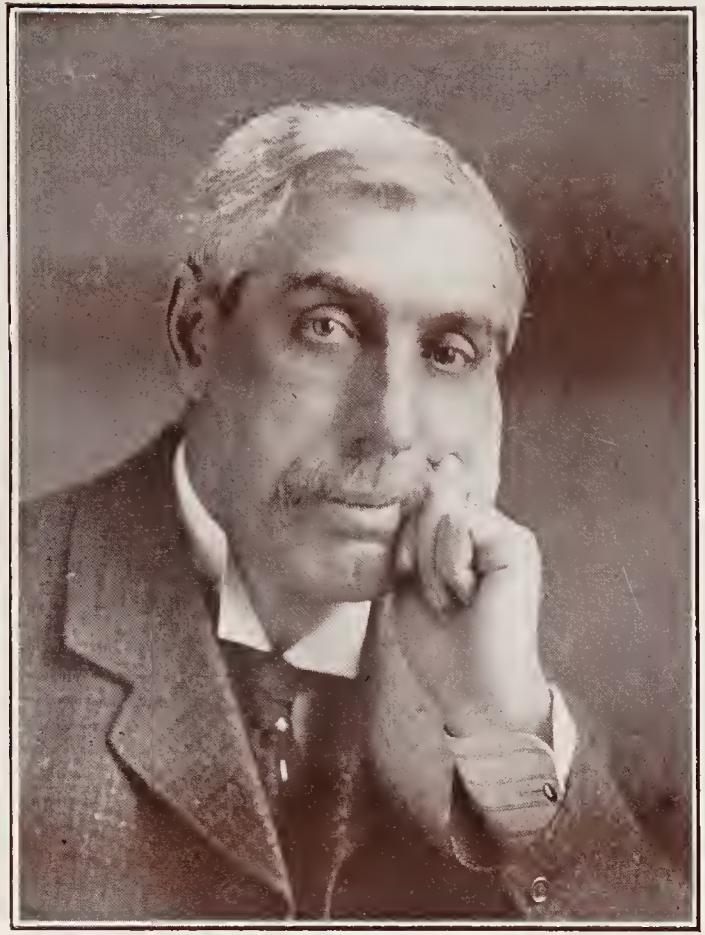
The Regina Board of Trade approved this statement by a Resolution on the same date and demanded that "the necessary equipment and satisfactory operation" of the railways in the West be made compulsory. In Montreal the Corn Exchange Association, on Jan. 8th, declared by Resolution that "the great loss and inconvenience suffered by the trade from the failure of railways to supply cars when required and from intolerable delays which have occurred in transporting and discharging cars into elevators after their arrival at terminal points, demand adequate compensation." Hence a call for reciprocal demurrage charges. As late as May 23rd there was great congestion of freight at Montreal affecting both ocean and local goods and resulting from preceding winter conditions. By this time, however, the grain blockade in the West had lessened to a vanishing point. From Ontario there had also come various complaints of not enough trains, poor engines, lack of men, lack of station and siding accommodation; which were largely voiced by that implacable critic of the railways—the Toronto *World*. As late as Nov. 27th a meeting of Ontario apple shippers in Toronto claimed that a million dollars' worth of apples was then tied up and in serious danger for want of proper shipping facilities. They alleged that sufficient refrigerator cars could not be obtained, and that the ocean steamers leaving Portland, Maine, were not adequate to the requirements of the trade going out by the Grand Trunk. They demanded more cars and the right to ship *via* St. John, or Boston, or New York.

In British Columbia, again, during the autumn of 1907 the coke shortage at the smelters was charged, in part, to lack of cars

and locomotive power on the railways, and Mr. A. J. McMillan, of Rossland, urged this point very strongly in the Victoria *Times* of Sept. 5th. When the time came for shipping the crop of this year in the West there were renewed complaints. Those of Midale, Sask., illustrate the troubles of some of these Western localities in 1907, and they are described in the following Resolution passed by its Commercial Club on Nov. 4th: "Resolved, that owing to the grave car shortage, business is practically demoralized. The elevators, though not filled up, have a large stock of low grade wheat which is deteriorating in price, and as it cannot be sold except for immediate delivery, it involves too big a risk to fill up on those grades, and we cannot buy until cars are supplied to transport same. If existing conditions continue it will result in serious loss to the farmers and business in general." During this season the low-grade character of the wheat demanded quick shipment and increased the demands upon the Railways. Hon. Mr. Motherwell, of Saskatchewan, was in Winnipeg on Nov. 12th urging the C.P.R. to rush cars into that Province, and was informed by the officials of the Railway that during the first seven days of the month 345 cars had been loaded in Saskatchewan as against 297 in the same days of 1906. It was stated that three times as many cars were available for the shipment of grain as at the same time in the preceding year.

What of the Railway side of the case—apart from the obvious weather troubles and complications? In the first place they claimed that the newspapers grossly exaggerated conditions, both as to sufferings from alleged lack of fuel and inconveniences resulting from delayed, or inadequate, freight and passenger facilities. They pointed out that the farmers had been given the privilege of loading cars of wheat on station sidings instead of through an elevator, and that this method took from a half to a whole day instead of being done in half-an-hour, as would be the case in using elevators. They stated that the Companies usually had all the equipment to handle all the business offered if this equipment were properly treated by merchants and shippers. Mr. J. W. Leonard told the Railway Commission on Feb. 6th that at a Montreal suburban station the C.P.R. had room on sidings for 198 cars, the unloading of which could proceed simultaneously. These sidings had been full for four months and they released only 20 cars a day on the average. Ninety per cent. of their cars at this point were used as warehouses. The consignees took the full free time and were even willing to pay the dollar a day demurrage, as it was cheaper than to remove the goods. "They peddled goods from cars to the consumers. Some had their offices in their hats." The same thing might be said of other centres. A month before there were 400 loads of package freight lying in Montreal which consignees would not take out.

All over the country, during the last few years, railways had been making up longer, heavier, and faster trains, using heavier



Mr. D. B. Hanna.

3rd Vice-President of the Canadian Northern Railway in 1907.

Mr. Stuart Strathy.

Appointed General Manager of the Traders Bank of Canada in 1907.

rails, strengthening bridges, and doubling tracks; but they had had to face enormously increasing demands upon their operating systems; and to maintain the proper ratio between the Operating departments and the Mechanical equipment requirements had been the problem of the period. They claimed to have ordered cars to the utmost capacity of the car-building works of the continent and were yet unable to get enough. Mr. F. W. Peters, of the C.P.R., stated at Winnipeg, on Feb. 6th, that his Railway had not only placed orders for motive power in every establishment in America and Great Britain, but had erected shops in Montreal that were second to none on the continent, in which rolling stock was being manufactured. They had employed all the men they could and had increased their equipment for fighting snow extensively. In Montreal, as at other points, the Railways claimed that some of the congestion of traffic was due to inadequate terminal facilities and to insufficient arrangements by local manufacturers and merchants for the reception of goods—conditions well described by Mr. Leonard. A Memorandum addressed by the Grand Trunk and Canadian Pacific to Mr. George Hadrill, Secretary of the Montreal Board of Trade, stated in July of this year that "the facilities at the warehouses of many of the consignees are altogether inadequate."

Much complaint was also made as to the operations of the Dominion Grain Act. It was stated in November, 1907, on behalf of the Railways, that only 50 per cent. of the cars in the West available for grain were loaded per day, and that some cars were held by farmers for six days or more before loading; that owing to such or similar delays 160 cars were needed where 100 would have done a couple of years before; that many bogus applications for cars were put in while farmers getting cars before they were ready would throw in a bag or two and hold the cars with the statement that they had started loading; that some farmers would have cars supplied to them perhaps a dozen times, before being really ready to load, with no redress on the part of the Railways. Mr. William Whyte, of the C.P.R., put the matter thus on Nov. 19th: "When it is pointed out that during the season of 1905 the Canadian Pacific was able to get 82 per cent. of cars available at grain stations loaded per day; that for the season of 1906 this had dropped to 63 per cent.; and that this season we will average under 50 per cent. of available cars loaded per day; the evil effects of the Act become apparent." As to actually available cars, elevators, etc., the official (Railway Department) figures for four fiscal years, ending June 30th in each case, were as follows for, with one exception, all Canada:

Particulars.	1904.	1905.	1906.	1907.
Number of Western grain elevators.	982	1,022	1,118	1,273
Engines or locomotives	2,768	2,906	2,931	3,504
Passenger cars—all classes	3,009	3,130	3,319	3,642
Freight cars—all kinds	83,562	86,196	90,404	107,407

The aggregate capacity of the cars in freight service (June 30, 1907) was 2,908,903 tons. The increase in equipment during these four years shows that elevators available or in service rose by 291 in number; the locomotives by 736; the passenger cars by 633; the freight cars by 23,845 in number. As to the greater Companies concerned, the Canadian Pacific's returns indicated a doubling of its rolling stock in the previous 8 years. Its locomotive equipment increased from 1,016 in 1905 to 1,296 in 1907; its passenger cars from 1,069 to 1,466; its freight and cattle cars from 30,101 to 40,405. The Grand Trunk, within a few years, had practically renewed its rolling stock, greatly increased its capacity and improved its equipment. Other Canadian lines followed this example, and the Canadian Northern developed its facilities with a rapidity which should have greatly helped the situation, and in 1906 added a third to the amount of its rolling stock. Yet the traffic requirements grew faster than the supply of rolling stock, and the number of miles of railway track in operation increased from 19,431 in 1904 to 22,452 in 1907. As the Montreal *Gazette* put it on Feb. 16 of this last year: "It is easy enough to say that the railways should have done more than they have done, but freight cars and locomotives do not grow on mulberry bushes and the equipment for manufacturing them cannot be assembled in a fortnight. No relief from the United States was possible, for conditions there have been even worse than in Canada, and every car and locomotive shop has been taking orders without guaranteeing delivery in less than a year."

The equipment ordered by the principal railways for delivery in 1907 was estimated by the organ of the Canadian Manufacturers Association in October of that year at 15,678 cars, of all kinds available for freight, and 356 locomotives. Whatever the exact condition may have been as between the critics of the Railways, with the undoubted basis of a car famine in Ontario during the winter of 1906-7, a shortage of cars in the West during that period, and a similar trouble in the autumn of both 1906 and 1907, there seems no doubt of the railways having done much in a steady increase of their rolling stock while encountering unusual difficulties during the two years of a varied and in some cases insurmountable character. The Board of Railway Commissioners recognized these facts in its Memorandum of Feb. 16, 1907, dealing with the subject, while declaring that the time had come for the taking of more complete measures by some of the Railways concerned:

> The Board thinks that the circumstances of the last two years should serve as a warning; and that measures which would not have been just and reasonable under previously existing circumstances may be so in the future, especially after Companies have been fully notified of the views which the Board takes. The Board is also of opinion that the making of large expenditure in improvement of railways, and especially in building new lines of railway, furnishes evidence of the powers of Railway

companies in respect of financial requirements to supply all necessary rolling stock and equipment; and the Board will also feel obliged to consider carefully whether Railway companies which are extending their lines, and thereby rendering necessary a further supply of men, rolling stock and equipment, are justified in doing so without fully equipping the lines which they are already operating.

Work and Decisions of the Railway Commission

The Board of Railway Commissioners of Canada met during 1906 in every Province of Canada excepting those by the shores of the Atlantic, and in 1907 continued their labours and visits in many parts of the Dominion; though much was also done from the common centre at Ottawa, where numerous appeals were heard, complaints listened to, and conferences held. The second annual Report, for the year ended March 31, 1907, was signed by Hon. A. C. Killam, Chief Commissioner, Hon. M. E. Bernier, Deputy Chief Commissioner, and Dr. James Mills, Commissioner. During this period nearly 21,000 folios of testimony were taken before the Board; 2,936 applications heard, as against 1,487 in 1905-6; 26,933 filings made, as compared with 17,653 in the preceding year; and 1,741 orders issued, as against 617 in the former period. The informal complaints entered were 241 in number, and dealt with every kind of grievance which can be recorded or alleged against a Railway. As an illustration it may be said that the claim of the Produce dealers of Montreal was heard on Jan. 22, to the effect that the Railway companies had increased their export winter rate on butter and cheese from 16 cents per 100 lbs. to 20 cents on shipments to Portland, Boston, and St. John. Much technical evidence was heard.

In the House of Commons, on Jan. 30th, Mr. R. L. Borden proposed his two-cent fare Resolution, and in his speech declared the Railway Board to be over-worked, suggested a re-organization with an additional member, and proposed the appointment of a Registrar. The question came up in another form on Mar. 19th when Mr. Borden urged that the powers of licensing and regulating the export of electric energy be entrusted to the Railway Commission, as already having extensive jurisdiction in connection with railways, telephones and express companies: "I have suggested, and would suggest again, that its jurisdiction has outgrown its name, and that it would be very proper and very wise to reorganize that Commission—to increase its jurisdiction, its numerical strength and all its working power. It would be also wise to give a new and more comprehensive name and call it, for instance, the Public Utilities Commission, instead of the Board of Railway Commissioners for Canada. It may be, and no doubt will be said, that the work devolving on that Commission is as large as it is able to deal with effectively. That, however, is an argument not against the proposal I am now making, but in favour of a reorganization of that Commission. It has occurred

to me that probably it might be as well to have that Railway Commission when reorganized, work in two divisions—one division occupied more particularly with administrative matters and the other with matters that might be called judicial."

A decision of the Commissioners was announced on Mar. 9th that the maximum rate of charge for passengers on all lines east of the Rocky Mountains must, within 60 days, be reduced to three cents a mile. While not altering through rates to any extent this enactment made a slight reduction in various local charges. The Commissioners on Feb. 12 listened to the case of the C. P. R. and Grand Trunk in which the Companies disputed as to what should be paid by the former for the use of the Central station and tracks approaching it, at Ottawa. In April the Board appointed Mr. A. F. Dillinger, formerly connected with the C. P. R., to make an investigation of traffic conditions in Western Canada—including equipment, rolling stock and the movement of freight. On the 23rd of the month, after ten days' inquiry, Mr. Dillinger presented a statement to the Winnipeg Board of Trade which severely condemned the Canadian Northern Railway for constructing new lines beyond its capacity to operate, for using inferior and worn-out rolling stock upon the Prince Albert branch, for keeping up antiquated construction and repair shops and, generally, for being far behind the requirements of the public and the service.

The question of Western conditions was discussed before the Railway Commission on April 24th, when Mr. J. G. Turriff freely criticized the C.N.R. Mr. T. A. Burrows followed suit, and Mr. Wilbert McIntyre and Dr. Cash paid similar compliments to the Canadian Pacific. Mr. G. E. McCraney said much local trouble was caused by the C.N.R. purchase of the Prince Albert line. Most unpleasant statements were made as to the wheat shipment delays, suffering of the settlers, and shortage in fuel. In a Memorial presented by Mr. John Crawford, M.P., the Liberal members representing Manitoba, Alberta and Saskatchewan, summed up what they termed the " alarming condition " of transportation affairs in the West: " The situation has resulted and is resulting in personal hardship and suffering, detrimental to immigration, in great loss to individuals and communities, and in a tendency to financial stringency throughout Canada. They would appeal to your honourable body to continue your investigations, to ascertain the remedy for the same and to adopt such measures as are in your authority."

At Port Hope, on May 6th, the Commissioners heard details of a local grievance against the Grand Trunk in connection with the latter's application to fill in by earthen embankments a locality which would, it was claimed, isolate the town from the lake and harbour, and injure its industrial and residential qualities. Meeting in Toronto on May 9th the Board received 30

applications for relief or attention from all parts of Ontario. A lengthy argument took place on the 12th as to the two cent rate question and the G.T.R.—Mr. J. W. Curry, K.C., applying for an order to direct the Railway to issue third class tickets at the rate of one penny per mile for each mile travelled, in accordance with the old-time incorporation contract of 1853. Mr. Wallace Nesbitt, K.C., for the Grand Trunk, contended that the Dominion Railway Act of 1903 had superseded and replaced the legislation of the old Provincial Assemblies before Confederation. During May and June the Commissioners listened to various witnesses in connection with Telephone rates and charges and received an enormous amount of direct and indirect evidence. Mr. Aime Geoffrion, K.C., acted for the Bell Telephone Company and Mr. G. F. Shepley, K.C., for the Crown in connection with the Company's application for approval of its tariffs. Mr. Geoffrion, in an elaborate address on June 19th, contended that the Company was not making undue profits and that any reduction of its earning power would affect the service injuriously and also the public.

It was announced at this time that the Board had adopted for Canadian Railways the new system of accounting recently promulgated by the United States Interstate Commerce Commission; thus creating uniformity of statistics, etc., upon all the railways of the continent north of the Mexican border. On July 4 the Board issued an order approving a new Canadian freight classification, to become effective after Sept. 1st. The more important features of this revised classification were that some 240 commodities which had hitherto been carried at the risk of the owner would hereafter be carried at the carrier's risk without any advance in the ratings; and that on those articles which were still carried at the risk of the owner, the risk was to be specified and restricted. Thus, instead of the words "owner's risk" being understood to cover practically everything, the words, where still retained, were to be restricted to breakage, chafing, leakage, sifting, loss, damage, deteriorating, fire or weather, as the case might be, and, further, these restrictions were intended to cover only risks necessary and incidental to transportation; but no such limitation expressed or otherwise was to relieve the carrier from liability for any loss or damage which might result from any negligence or omission of the railway company, its agents or employees. To the Board's meeting in Fort William on July 7th, and in dealing with the Grand Trunk route through the City to Port Arthur, the Chief Commissioner stated that "no municipal corporation has the power to close up a street for the purpose of any railway company; the streets being for the use of the people, they cannot be given away. This Railway Commission is the only body that can close streets for railway purposes." Regulations were issued at this time providing for better protection against fires in connection with the railway service of the country.

At Winnipeg, on July 9th, much opposition was offered to the proposed route of the Grand Trunk Pacific through the middle of the Manitoba Agricultural College grounds. The Railway view was that any change in route would interfere with the industrial possibilities of the city and that residential conditions could not in any event be affected until Winnipeg had a population of two or three millions. Mr. Premier Roblin made a strong appeal on behalf of the College property, for the Government investments in that connection past and future, and against the probable crippling of the interests of that institution which he foresaw. On July 12th, after months of careful investigation and laborious examination of all the complex details involved in a radical revision of eastern Canada freight rates, the Board promulgated an order with important and far-reaching effects on the commerce of the Dominion east of the Great Lakes. The order remedied the long-standing complaint of Ontario and eastern Canada shippers that the railways discriminated in favour of through traffic from the United States to eastern Canada points as compared with the traffic originating on this side of the boundary; and put into effect the principle of uniform rates for equal distances. As a result there was a marked reduction of freight rates to the east from practically all points in western Ontario, the existing discrimination was done away with and shippers, and the public generally, were expected to greatly benefit. Much evidence had been heard during a two years' period, and the Canadian Manufacturers Association had been untiring in its efforts to rectify abuses and reduce rates. The order was, practically, an outcome of the final conference on May 23rd between the Association, the Railways and the Commission.

The Commission was in Winnipeg on July 12th. Mr. Mayor Ashdown presented the complaints of citizens; chiefly in the matter of delay in cars and its injurious effect upon trade and business. Mr. T. D. Robinson dealt with the fuel shortage of the past winter and Mr. B. W. Wallace, of Prince Albert, with delays in Saskatchewan shipments. The Winnipeg Jobbers and Shippers Association and Board of Trade, the Grain Growers' Association and the Boards of Trade of Regina, Brandon, Prince Albert and Fort Frances were represented. Thousands of cases of delayed shipments were alleged to have occurred in the West. The Railways were heard in defence and the Chairman then stated that the Commission had some sympathy with the request that an officer of the Board should be a resident of Winnipeg in order to look after transportation; but the staff of the Board had been growing at a considerable rate and for the present he could not agree to the request, although he gave the impression that such an appointment would, eventually, be necessary. The information they had received led them to the conclusion that the severity of the past winter was largely responsible for the defects in transportation, a result that had been experienced also in the East. He described

reciprocal demurrage as a solution of the present difficulty which the Commission did not view with favour. They had appointed an expert to investigate conditions, and if the Companies failed to realise their responsibilities some system of that kind might, however, have to be introduced.

At Vancouver, in August, the Commission announced its decision in the prolonged struggle of the Vancouver merchants and wholesalers, and the Boards of Trade of the Pacific Coast, with the Railways. The complaint, in brief, was that railway rates levied on all classes of goods from Vancouver eastward were discriminatory as compared with the rates on westbound traffic from Winnipeg. The judgment signed by Commissioners Killam and Bernier (with a dissent judgment given by Commissioner Mills) was to the effect that the complaints should be dismissed except in so far as they related to the classes of traffic for which reduced rates were given under the Act dealing with the Crow's Nest line of the C.P.R. "It appears to me," said Mr. Chairman Killam, "that no inference can be drawn from a mere comparison of distances from different portions of railways and that it does not constitute discrimination, much less unjust discrimination, for a railway company to charge higher rates for shorter distances over a line having small business or expensive in construction, maintenance, or operation, than over a line having large business or comparatively inexpensive in construction, maintenance and operation."

The Commissioners held a hearing at Portage la Prairie on Aug. 21st as to local complaints that the C.P.R. granted special and preferential rates to Winnipeg wholesale merchants. Under date of Aug. 17th, and in connection with Calgary's request for the construction of C.P.R. subways, the Secretary of the Commission wrote that: "The Board has recently been taking up with some of the railway companies, including the Canadian Pacific Railway Company, the question of highway crossings in cities and towns generally, and has required such companies to furnish the Board with plans and profiles of such crossings; this has been done with a view to adopting a more systematic plan for dealing with such matters than has hitherto been followed, and of enabling the Board to judge which of such crossings are most in need of protection." Until this information was fully available no action would be taken. In passing, it may be said that Mr. William Whyte, of the C.P.R., had an article in the *Saturday Post,* of New York, late in August, which described at length the powers of the Railway Commission, compared its procedure with the weak and ineffectual efforts of the United States Interstate Commerce Commission, and analyzed the regulations and protection resulting from the labours of the Canadian Board as follows:

1. Equal rates for all. A guarantee that one section of the country will not be exploited to the detriment of another region equally endowed with natural resources.

2. No secret rebates. An exemplification of the "live and let live" policy. The small producer is zealously protected and is afforded an equal chance on the same basis with a wealthy corporation.

3. Government regulation of train schedules. An absolute assurance to the shipper that he can fulfil his contracts.

In connection with the complaints of the Portage la Prairie shippers the Board ordered a change in freight rates, to go into operation on Nov. 25th, and affecting Manitoba and Western points. A good deal of criticism was aroused in Winnipeg by the changes made, and it was claimed that rates within Manitoba were really increased, while those to points in Alberta and Saskatchewan were only slightly reduced. A vigorous protest was telegraphed to the Railway Commission on Nov. 14th by Mr. C. N. Bell, of the Board of Trade. Strong objection was taken to the adjustment of freight rates out of Winnipeg, on the same basis as those out of St. Paul and Minneapolis, and it was claimed that the tariff to Kootenay points would be absolutely destructive of existing wholesale trade. Delay and further investigation were asked. The Winnipeg Wholesale Implement Association also protested. The Commission was in Toronto on Nov. 5th and a little later in Montreal. At Toronto it heard statements as to injurious delays in shipping fruit and the difficulty of obtaining an adequate number of cars from the Grand Trunk. The Dominion Millers Association complained of car shortages, and discrimination, against the C.P.R.—especially at Owen Sound. Mr. James Oborne, for the Railway, stated that 192 engines were then in the Ontario Division as against 151 a year ago, and censured shippers for unduly holding cars. To the Toronto *News,* on Nov. 7th, Mr. Chairman Killam stated that "during the past few weeks the Commission had been making preparation to look into the whole problem of passenger tariffs on the railways operating in Canada. As to the advisability or practicability of the establishment of a general first-class two cent per mile fare he would hesitate to speak at present. The Commission, however, was anxious to determine whether the time had not come in this country when some reduction in fares would be justified."

At the Toronto session, upon the above date, a sort of conference was held between the Commission and City of Toronto, represented by J. S. Fullerton, K.C., and others; the Board of Trade by H. L. Drayton and F. G. Morley; the Grand Trunk Railway represented by C. M. Hays, Walter Cassels, K.C., M. K. Cowan, K.C., and others; the C.P.R. by A. R. Creelman, K.C., and others. The subject of discussion was the pending plan for a new Union Station, and in connection with that whether the railway tracks along the water front should be maintained at the present level or raised so as to permit of the streets connecting with the lake front being carried under the railway. "Under the statute," said Mr. Killam, "the Board is empowered to say whether the streets

should be carried over the railway or whether the railways should be carried over the streets. That involves, where there is a number of such streets, the determination of the height to which they should be elevated." Mr. Hays submitted the cost of a viaduct under present conditions; the difficulty of obtaining money and the fact that it had to be got in England where the increasingly unfair demands upon Canadian railways would be likely to injure their credit eventually; the fact that people wanted all these things and at the same time demanded lower freight and passenger rates:

> On the general question of the abolition of grade crossings every general manager was in hearty accord with the desirability of eliminating these most dangerous parts of railway operation, conditional, first on their ability to get the capital to pay their share of the cost, and secondly, on some equitable division of the expenditure between the companies and the community. There was hardly a question in any city or of any crossing in Canada, that the Grand Trunk was not prepared to discuss at any time. In fact, it had been a standing policy with the Grand Trunk in any question of the separation of grade crossings to pay one-half, and they felt, on general principles, that that was going as far as they had any right to go in the interests of shareholders.

Proceedings and Decisions of the Ontario Railway Board

The Ontario Railway and Municipal Board,* a Provincial organization with wide powers and judicial functions, dealt promptly on Jan. 22nd with the trouble arising out of the refusal of the City of Toronto to allow the Street Railway Company to operate cars on the Bathurst, Winchester and Arthur Street lines. The City was ordered to let the service continue until the Courts had dealt with the original dispute as to routes—the reason given being the public convenience. In its first annual Report, which was laid before the Legislature on Jan. 31st, the Board stated, in connection with a case at Berlin, that the Dominion Railway Act of 1906 was not sufficiently clear in respect to the right of municipalities to assume the ownership of street railways at the expiration of the franchise of the companies. It was suggested that the Board should be given authority to approve of the location of lines of railway, stations, and in cases of dispute between companies and municipalities, of bridges. The Commissioners reported that soon after their appointment they took up the question of fares which, for electric railways under Provincial jurisdiction, were fixed at five cents for the first three miles travelled and two cents a mile for distances exceeding that. They sent out circulars requiring all roads to submit their tariff of rates, but had experienced some difficulty owing to the fact that a number of lines, though local, were declared for the general benefit of Canada and were entitled, under Dominion regulations, to charge a maximum of three cents a mile. The Board then set about learning the extent of its jurisdiction in that respect, and one of

* NOTE — For organization and powers of Board see *The Canadian Annual Review* for 1906. Pages 106-8.

its members prepared an exhaustive summary of the charters granted in the Province since Confederation. It then notified all roads within its purview of the terms of the law. Since that time there had been reasonable compliance by the Companies in the matter of fares. The Board had heard, during seven months, two appeals from municipal assessments and 17 applications under Section 53 of the Act.

Early in February the Board heard the City of Toronto's appeal against the Street Railway Company for over-crowding its cars, permitting congested traffic and providing too few lines and cars. The Company's reply was that they were hampered by municipal politics and prevented from obtaining all the cars demanded by the fact of their shops working full capacity and the inability to buy elsewhere. The Chairman of the Board thought the case as to over-crowding was proved, but did not see the immediate remedy. On May 17th the Toronto Railway Company was ordered to construct between ten and fifteen additional miles of double track and one hundred new cars, the latter to be finished in time to be put into operation as soon as the new lines were built. During the months of November, December, January, February, March and April the front vestibules of cars were to be closed by a door. Passengers might be prohibited entering by that door, arrangements being made for them to enter by the rear door and leave by the front door. As to the general situation the Commissioners added this comment: "The City and Company are co-partners to the enterprise of giving rapid transit to the people. The city contributes the right of way through the streets, and the Company provides the capital, plant, and labour. Both profit by the business and both owe a duty to the public in return for what the people pay. There is every reason why the partners should agree rather than be at cross purposes. Their co-operation is necessary in the construction of new lines. For that reason the Board has set no hard and fast time for the commencement and completion of the work. In case of difficulty the Board reserves the right to either party to make further application, and also reserves further direction and order."

On Feb. 14 a decision as to the complaints made by Hamilton against its Street Railway Company was announced. The Board had previously advised the City Council to confer with the Company, but all negotiation had been declined. The latter was now ordered to repair its road-bed and its cars, but no order was given as to extension of the system or for new cars—the Commissioners believing their power not to extend so far. On Mar. 19th a Report was presented to the Legislature dealing with intended amendments to the Municipal law and declaring against the proposed repeal of the so-called "Conmee clause." The Board reported against this action on the ground that many municipalities, rather than install public utilities, used their influence and held out

inducements to companies to construct them at a time when they would not pay. The companies having operated the works in the lean years municipalities should not, when the works were beginning to be remunerative, be permitted to construct competitive systems without acquiring the existing plants on fair terms. It appeared to the Board that it would be more in the interests of municipalities to acquire existing plants on such terms than to duplicate them and to have competition that might render the operation of the plants unprofitable and compel the use of funds at large in order to make up the loss in unremunerative business. The Board reported against an amendment allowing the construction by municipalities of conduits and the erection of poles for the conveyance of telegraph, telephone, power transmission and other wires and the renting of the same to public utility companies. It was also adverse to municipalities contracting for more electric power or gas than they required and selling the surplus to consumers, or otherwise acting as middlemen. This should be left to the Electric Power Commission. It also reported against power being given to municipalities to construct street railways on streets not covered by existing operating railway companies on the ground that it would be a duplication of systems and a waste of capital.

Following the decision in the over-crowding case and other Toronto complaints against its Street Railway the Board announced, on May 23rd, a rather sweeping judgment as to the down-town curves and loops of the same road and took ground against the claims of the City. It supported, in its entirety, the Privy Council's interpretation of the agreement between the Railway and the City, as giving the Company the right to determine on what streets, as existing in the city at the time of the agreement, new lines should be laid and what route adopted. This the Board held carried with it the right to construct the tracks, switches, turnouts, and so on, necessary for the operation of the system. The Board was of opinion that the Company's rights were contractual, and the action of the City in preventing the Company from constructing curves in connection with the Richmond Street loops a breach of agreement, for the remedy of which the Company, under the Railway and Municipal Board Act, had a right to seek redress from the Board.

The Quebec Bridge and Railway Disasters of the Year

The collapse of a portion of the great bridge under construction across the St. Lawrence at Quebec was one of the tragic events of the year. This important project had been planned and talked of in Quebec since 1887 when the original Company was constituted with a capital of $1,000,000 and with Mr. S. N. Parent, afterwards Mayor of Quebec and Premier, as its chief promoter, assisted by Hon. John Sharples and Mr. Gaspard Lemoine, also of Quebec. By the Railway Subsidy Act of 1899 the Dominion Government and Parliament granted $1,000,000 to this Quebec Bridge Company, which was re-organized in

1901 as the Quebec Terminal and Railway Company. The cost was estimated by Government speakers at that time as about $4,000,000. No direct control was maintained over construction or the affairs of the Company, but the site and preliminary plans were approved by Order-in-Council of May 16, 1898. The structure was to be a cantilever bridge composed of two approach spans of 220 feet each, two anchor spans of 500 feet each, and a centre span of 1,800 feet from centre to centre on the piers. The under side of the bridge was to give a height of 150 feet above high water. It was also to provide a double-track railroad, two lines for electric tramways, and two ordinary roads for vehicles and foot passengers. Subsidy payments to the extent of $374,353 were made up to June 30, 1906.

Under a subsequent agreement the Company released the Government from any claim to the unpaid balance of the $1,000,000 subsidy, but the Government agreed to guarantee the principal and interest of the Company's bonds to the extent of $6,678,000, such bonds to be payable in fifty years, bearing interest at the rate of 3 per cent., and to be a first charge secured by mortgage upon all the Company's franchises, tolls and property. The total value of work done and material delivered, as certified up to June 30, 1906, was $3,583,142, which allowed the issue of bonds to the extent of $4,039,061. Practically, the Company had full charge of construction, expenditures, and financial operations, generally; while the Government stood behind it as the guarantor of its bonds, but without direct control or responsibility for details other than a checking of the amounts expended. When completed the Bridge was expected to be the largest cantilever structure in the world, with 33,000 tons of steel used in its construction and a final estimate of $7,000,000 as the total cost of the undertaking. In 1903 the south shore piers were completed, and since then 240 feet of steel superstructure had been built connecting the shore pier to the anchor pier. It was this latter portion that suddenly collapsed at 5.37 o'clock on the afternoon of August 29th with a loss of over 60 workmen killed, a financial loss estimated at $1,500,000, and a delay in the final completion of the work which was most serious.

When the first horror of all concerned, and of the general public, was over it was found that very few men working on this part of the Bridge had been saved or even had the remotest chance of safety; that the change of 1,200 feet of splendid structure, extending out over the River, into a heap of twisted ironwork and masonry had been almost instantaneous. Although no explanation was offered at the time it afterwards transpired that some fears had been felt and warnings offered as to this particular arm of the Bridge. In a press interview, Mr. Parent blamed the Phœnix Bridge Company of Pennsylvania, which had the steel work in hand, for rushing construction too hastily, and both he and Mr. M. P. Davis, contractor for the masonry work which had so well stood the shock, claimed that the Bridge Company would be legally

responsible for the damages involved. During the inquest proceedings on Sept. 3rd Mr. Parent stated that the original plans and specifications submitted, under tender from several concerns, had been all referred to the consulting engineer of the Quebec Company, Mr. Theodore Cooper, of New York, who was a recognized authority on cantilever bridge building. He had submitted an exhaustive report upon the various plans and had reported in favour of the Phœnix Company. The contract was, therefore, given to the latter. At the time of the accident the Phœnix people had two engineers supervising the work and two inspectors of work and materials always on the scene of operations. Mr. E. A. Hoare was the Engineer-in-Chief under the Quebec Company, and he regularly inspected the work, while the Dominion Government had a representative in attendance to check and verify and inspect the quality of what was done—only in connection, however, with the matter of cost.

As other evidence came in it transpired that Mr. Cooper had very recently received warnings from his engineer of some possible but not serious trouble in the structure and had at once wired the Company at Phœnixville. Had the telegram gone direct to Quebec and work been stopped at once the lives concerned would have been saved. Various other witnesses were examined and, on Sept. 12th, the Coroner's jury presented a verdict stating that: "We have not been able to establish the cause of collapse of the Bridge, but we believe it our duty to declare that according to the proof at the inquest all the necessary precautions were taken to ensure the safety of the structure." Meantime, the Dominion Government had appointed a Royal Commission of Inquiry composed of Mr. Henry Holgate, C.E., of Montreal (Chairman), Mr. J. G. G. Kerry, C.E., of Campbellford, Ont., and Prof. John Galbraith, of the University of Toronto. The inquiry opened at Quebec on Sept. 8th and over 30 witnesses were examined, including the officials of both the Quebec and Phœnix Bridge Companies, as well as the survivors of the catastrophe. At Ottawa officials connected with the Railway Department were examined. Phœnixville, Penn., was visited, and evidence taken there as well as in New York, where Mr. Theodore Cooper was examined. The Chief Engineer of the Phœnix Company, Mr. J. Sterling Deans, and Mr. A. B. Milliken, the Superintendent of Construction, were in constant attendance. Investigation was made at the wreck and even the debris was examined with care. A defect in the chords of the anchor arm was spoken of by a number of witnesses as having been noticed prior to the accident. The *Engineering Review,* of New York, thought the bottom chord or other compression members had yielded, and the *Scientific American* declared that the Bridge fell because of "the buckling of the bottom chords, and the bottom chords buckled because the four ribs or webs of which each was built up were not sufficiently braced together to enable them to act as a whole." It seemed to think that the engineers

should have known of an over-strain which even the workmen almost unconsciously detected.

At Ottawa, Mr. Collingwood Schreiber's evidence showed that the plans and specifications on which the Bridge was being erected were duly approved by Order-in-Council after careful examination by Mr. R. C. Douglas, bridge engineer of the Department of Railways, and according to the regular procedure of the Department. The general specifications of the Quebec Bridge Company were submitted for approval in July, 1898, and all the details, drawings, etc., were placed before Mr. Douglas for examination and found satisfactory. These subsidy contract plans were again approved in 1900 and amendments to the specifications were considered from time to time. Some of the changes desired, according to Mr. Schreiber, were not approved by the Department. No specifications were approved unless recommended by Mr. Douglas after thorough scrutiny. The Government were paying a large subsidy for the Bridge and had to be careful that the safety of the structure was assured. In July, 1903, Mr. Schreiber had recommended to the Council that the Government specially engage a competent engineer to inspect the Bridge from time to time in order to see that it was being erected in accordance with the approved plans. An Order-in-Council approving of this recommendation had been passed, but after further correspondence and consideration it had been decided that the inspection of Mr. Cooper, Consulting Engineer of the Bridge Company, should be accepted by the Government. Mr. Cooper was known as a thoroughly competent bridge engineer and the interests of the Bridge Company and of the Government in the matter of inspection were described as identical.*

The evidence of Mr. Douglas showed that he had accepted the final plans without change. On August 15th an Order-in-Council was passed approving of a further loading of the Bridge by extending the length of the centre span from 1,600 to 1,800 feet. "Whether or not this increase of loading was wise," said the witness, "was a matter of opinion for experts." Under the Department system of examination of the Bridge plans there was no detailed examination as to stresses for each member. "There was merely a general inspection to find out the unit strain and ascertain that it was in accordance with the usual requirements." According to Mr. Cooper's evidence the officials at the works had not sufficient technical knowledge. "If," he declared, "prompt action had been taken to protect chord 9 West from further deflection it could have been done by employment of three hours' work and $100 worth of timber and bolts; and the deficits and deficiencies which we now recognize in the compression chords and members could at a later date have been corrected and the Bridge could have been made perfectly safe and efficient for its intended pur-

* NOTE—Summary of evidence in Toronto *Globe*, Sept. 27, 1907.

pose." On the other hand, Mr. S. N. Parent, the President of the Quebec Bridge Co., claimed these utterances to be palpable misstatements; stated that Mr. Cooper had full charge of construction and was paid $7,000 a year to look after just such matters as he had described; and that his own personally selected engineer was at the works all the time. The Phœnix Company's evidence blamed Mr. Cooper's original plans, declared the local officials to be entirely competent, and pointed out that Mr. Cooper demanded and received absolute power in the engineering policy of the Bridge.*

The subject was discussed in the Commons on Dec. 11, and the Opposition endeavoured to make the Government responsible for the policy pursued and the methods of construction involved. Mr. S. Barker moved, during the debate on the Address, an expression of regret that in the reference to the Quebec Bridge by His Excellency nothing was said as to "the unfortunate and unbusinesslike conditions in which that great national work has been carried on. We especially deplore the loss of life on that occasion, and we also deplore, not only the destruction but the serious delay in a great work which forms an essential part of the National Transcontinental Railway, and we greatly regret the unbusinesslike arrangements and absence of efficient control in the public interest with regard to that work." Mr. F. D. Monk also spoke at length, and the Hon. W. S. Fielding in reply declared that the proper time for discussion was when the Commission's Report had been received, and added that the Government had followed the expert advice and opinions of Mr. Collingwood Schreiber. The amendment was lost by a vote of 96 to 50, after Sir Wilfrid Laurier had referred at some length to the high character and standing of those connected with the Quebec Bridge Company. The annual meeting of this concern had, meanwhile, been held on Sept. 4th, with Mr. Parent in the chair. The following Resolution was unanimously approved: "The shareholders of the Quebec Bridge Co. are more than ever convinced of the utility of the Bridge, of its certainty of remunerative traffic and its absolute necessity as a chain in the transcontinental railway systems joining eastern with western Canada, and of its national importance as affording a crossing of the St. Lawrence at a point remote from the frontier. They rejoice at the unanimous expressions of Sir Wilfrid Laurier and Mr. R. L. Borden as to this being a national work, and they urge upon the Directors of the Company and upon its esteemed President, Mr. Parent, in whom the shareholders have entire and undiminished confidence, the necessity of continuing without interruption the construction of this national enterprise." Mr. S. N. Parent was re-elected President, Mr. Rudolphe Audette Vice-President, and Messrs. H. M. Price, H. A. Allan, Gaspard Lemoine, V. Boswell, Hon. N. Garneau and Hon. John Sharples were chosen as the

* Note—The final Report of the Commission (Mch. 9, 1908) found the cause of the collapse to be failure of anchor chords made by P. L. Szlapka of the Phœnix Co. and approved by Mr. Cooper.

other Directors. The Government Directors appointed were J. B. Laliberte and P. B. Dumoulin.

Many railway accidents occurred in Canada during the year. They were attributed to congestion of traffic causing undue demands upon the time and energy of employees; the breaking of steel rails owing, no doubt, to conditions of manufacture which made them unfit for the climate or else to deliberately-used inferior material; lack of discipline and carelessness amongst the men employed; the engagement of inferior or inexperienced hands in responsible positions; the opposition of the average jury to any punishment of the men for acts of negligence even when lives were lost. According to the official figures for the fiscal year 1907 there were 26 killed and 93 injured in collisions; 21 killed and 127 injured in derailments; 36 injured and 2 killed by falling from trains, cars, etc.; 10 killed and 38 injured by jumping on or off trains; and 11 killed and 58 injured by miscellaneous causes. Of this total of 587 killed and 1,698 injured, 249 employees were amongst the killed and 1,126 amongst the injured. There was an increase in the total over 1906 of 335 killed and injured. The principal railway accidents of the year 1907 were as follows:

Date.	Place.	Railway.	Killed and Injured.	Cause of Accident.
Jan. 1....	Barrie, Ont.	G.T.R.....	13 injured	Derailment.
Jan. 7....	Kaministiquia, Ont.	C.P.R.....	2 killed 9 injured	Derailment.
Jan. 29 ..	Windsor Junction, N.S.	I.C.R.....	5 injured	Derailment.
Feb. 5....	Beaver Brook, N.B.	I.C.R.....	1 killed 27 injured	Collision.
Feb. 9....	Mahone, N.S.	Halifax & S. Western..	3 killed 1 injured	Collision.
Feb. 18 ..	London, Ont.	G.T.R.....	1 killed 2 injured	Collision.
Feb. 26 ..	Brookfield, N.S.	I.C.R.....	3 killed	Collision.
Feb. 26 ..	Guelph, Ont.	G T.R.....	3 killed 60 injured	Broken Rail.
March 1 ..	Smith's Falls	C.P.R.....	2 killed 3 injured	Collision.
March 4 ..	Fergus..	G.T.R	1 injured	Derailment.
March 5 ..	Toronto.....	G.T.R.....	4 injured	Collision.
March 6 ..	Winnipeg	C.P.R.....	1 killed 1 injured	Collision.
March 25..	Myrtle, Ont.....	C.P.R.....	2 killed	Collision.
April 10 ..	Chapleau, Ont.	C.P.R.....	15 killed 40 injured	Broken Rail.
April 29 ..	Fire Hill, Ont.....	C.P.R.....	3 killed	Broken Bridge.
May 24 ..	Bay Street Crossing, Toronto	.....	1 killed 3 injured	Abs'nce of Guard and Gates.
Aug. 10 ..	Essex, Ont.	M.C.R.....	3 killed 26 injured	Dynamite Explosion.
Sept. 3 ..	Caledon, Ont.	C.P.R.....	7 killed 50 injured	Derailment.
Sept. 18..	Vaudreuil, Que.	G.T.R.....	1 killed 1 injured	Collision.
Oct. 10 ..	Trenton, Ont.	G.T.R.....	1 killed 1 injured	Derailment.
Oct. 12 ..	Amigari, Ont.	G.T.R.....	1 killed	Derailment.
Oct. 30 ..	Regina, Sask.	C.P.R.....	2 killed 2 injured	Collision.
Nov. 3 ..	Falkenburg, Ont.	C.P.R.....	3 injured	Collision.
Nov. 14 ..	Moor Lake, Ont.....	C.P.R.....	7 killed 8 injured	Collision.

Some of these accidents caused much public discussion, some came before the Courts, and several important judgments were rendered during the year. In the United States, it may be added, the accidents for the year ending June 30, 1906, included 4,225 killed and 66,709 injured. The *Globe* of March 11 referred to the lamentable record in the Republic and demanded a searching investigation of current Canadian accidents, together with some kind of Government supervision and official inspection of railways in this connection. The Toronto *News* (May 14) declared that: "Whenever an accident happens, in which death or injury occurs, the Attorney-General should send an officer to investigate and prosecute just as in any ordinary case of murder or manslaughter. Every man charged with negligence should be placed on trial. Where a civil suit for damages goes against a railway a criminal charge should be laid and the Crown Attorney should prosecute." Prosecution lay with the Provincial legal authorities in each case, and the Railway Commission stated on May 22 that it had already referred several cases to these officials—action being taken in one case by Ontario and in another by Quebec. Other prosecutions were pressed in Ontario during the months which followed and on Sept. 25 a large deputation of trainmen waited upon Mr. Foy, Attorney-General, to protest against the tendency of Coroners' juries to treat them as constantly guilty of criminal neglect: "Owing to the multiplicity of their duties, and the conditions surrounding them, railwaymen were liable to errors of judgment or lapses of memory absolutely beyond their control. While they agreed that everything possible must be done to protect the travelling public, was it fair to treat as a criminal a man who under such conditions made a mistake? In the investigations being made into railway accidents these conditions were never brought out so that juries would be able to intelligently decide for themselves as to whether the accidents were really the result of unpardonable negligence or were uncontrollable mistakes."

As already stated, there were some important judicial decisions in this respect. In the Chapleau disaster which occurred in a section where the C.P.R. had made exceptional and recent efforts to ensure efficiency and to provide a good road-bed and heavy steel rails, the Coroner's jury on April 13 exonerated the Railway employees from all blame and could only find the use of acetylene gas as an object of condemnation. In connection with a fatality which took place on the Grand Trunk at Gourock in September, 1906, Mr. Justice Riddell, of the Ontario High Court, condemned Joseph Thompson, the conductor of the train (May 11), to three years in Kingston Penitentiary and criticized him in severe terms: "I am unable to see the slightest sign of repentance on your part. Instead of repentance for your own crime you seek to cast all blame upon others. For your own sake, then, I must cause some substantial punishment to be inflicted. You knew you

had, under the rules, a rest of eight hours, yet you had worked sixteen hours, and there can be no doubt that you continued on the route because of its remunerative character. You stoutly asserted that you had plenty of sleep." The Judge handled the situation without gloves and made special reference to the large and increasing number of accidents on the Railways. "Much of this slaughter," he declared, "is due to sheer neglect, downright and inexcusable carelessness of those who are entrusted with the carrying out of these rules and regulations; and if you and your fellow-trainmen had used even ordinary care the three men now lying in their graves as the result of your act might still be happy and useful citizens. Every legitimate means should be used to stop as far as possible the continuance of the present insufferable condition of affairs. It has been said that this is due in large measure to a widespread lack of discipline. If so, this must be improved."

A Coroner's jury on Sept. 26 condemned three G.T.R. employees as criminally responsible in the collision near Vaudreuil. A similar jury on Sept. 17 declared the Caledon wreck to have been caused by an "excessive and dangerous rate of speed"; declared the engineer and conductor to have been "criminally negligent"; and censured the Railway for employing incompetent and inexperienced men. The two men were arrested, and on Oct. 7th another jury, inquiring into the cause of the accident, described it as due to the incompetence of the men and the condition of the road-bed combined. In connection with the Essex accident, caused by improper and careless handling of a car of dynamite on the Michigan Central, Mr. Justice Riddell fined that Railway on Oct. 25 the large sum of $25,000. There was no appeal as the Company had pleaded guilty. At the Moor Lake inquest the verdict was reckless carelessness on the part of a C.P.R. engineer. The Company had already paid all damages. In the accident occurring at the Bay St. crossing, Toronto, the Coroner's jury charged the C.P.R., the G.T.R. and the City with criminal negligence. There were 36 casualties on the Atlantic sea-board of Canada during 1907, and of these 10 were on the coast of Western Nova Scotia and 5 in the River St Lawrence. Twelve vessels of 12,747 tons registered were abandoned as total wrecks.

The Intercolonial Railway and the Dominion Government

The Government-owned and controlled Intercolonial Railway was the subject of some discussion during the year. In January it was announced that the C.P.R. had applied for running rights over the Government line between St. John and Halifax, and that a conference on the subject would be held; but nothing definite resulted. The Halifax *Herald* warmly advocated such a policy in the local interests of Halifax. In April an almost unprecedented blockade of I.C.R. trains by snowdrifts took place. At the meeting of the Maritime Board of Trade Convention on

Aug. 22 a Resolution was unanimously approved declaring that: "It would be greatly in the public interest and to the advantage of the Intercolonial Railway if the Federal Government were to acquire by purchase, or lease, the railways of Western Nova Scotia and also the branch lines connecting with the Intercolonial Railway in Nova Scotia and New Brunswick, and to operate them as part of the Intercolonial system; and that the Government be urged to take the necessary steps to acquire such railways provided the same can be purchased, or leased, on reasonable terms based not merely on the original cost, but also on the earning power of the lines."

On March 22nd the Minister of Railways (Mr. Emmerson) delivered an elaborate address and review of Intercolonial Railway conditions, policy and progress. He described the development of the past decade—new 80-pound steel rails on all tracks, the reballasting of the line, replacing of all bridges, provision of new terminals, building new roundhouses and stations, supplying of larger locomotives, additional cars and longer freight trains, improvements in every direction, expenditure on all sides. Reference was made to the car shortage on the I.C.R. as being largely due to the "dishonest diversion" of its rolling stock by certain United States railways; to the fact that on Nov. 8, 1906, the total cars of the system "off the line" numbered 4,403 as against 1,652 of foreign cars in use on the line. The general progress of the Railway between 1896 and 1906 was given as follows:

	1896.	1906.	Increase Per cent.
Length of line (miles)	1,182	1,477	25
Capital invested	$55,267,044	$81,238,728	41
Number of locomotives	204	347	70
Passenger car service	276	429	55
Freight car service	6,667	10,819	62
Ploughs, flangers, etc.	77	129	67
Engine mileage	4,714,661	9,304,511	99
Train mileage	3,842,502	7,424,831	93
Car mileage	43,005,684	93,746,123	117

In the fiscal year 1905 the total expenditure on locomotives, cars, repairs, maintenance, etc., was $8,352,761 and in 1906 it was $7,563,371; in 1905 the revenue earned per train mile was 93 cents and in 1906 $1.02; the gross earnings were, respectively, in the years mentioned, $6,783,522 and $7,643,829. In the next fiscal year ending June 30, 1907, as afterwards appeared, the gross earnings were $8,599,119 and the expenditures $8,202,064. The Minister expressed much pride in his surplus and proceeded to claim, and to produce proof in support of the contention, that the I.C.R. carried freight "not merely cheaper than any other railway in Canada, not merely cheaper than any railway on the continent of America, but at a lower rate than any railway in the known world." Mr. Emmerson strongly disapproved of giving any other Railway (not belonging to the Government) special

rights or privileges on the I.C.R. "It would enable such a Company to at once secure, between daylight and dark, every feeder to the Intercolonial, and in securing these feeders that Company would absolutely wrest from the Intercolonial the traffic which it enjoys to-day." In this latter connection he added: "I have felt that the Government of Canada might some day be impelled by the force of public opinion, by the judgment of the people throughout the country, to secure to the Intercolonial Railway, as against all other Companies, the branch lines which constitute the feeders to the Intercolonial Railway. What are these branch lines but instruments to gather up the traffic in the adjacent country-side and hand it over to the trunk line system—the Intercolonial Railway?" He looked forward to the I.C.R. being some day carried on so as to reach Toronto and to touch the traffic of the great centres. The contention of the Opposition in the House, in replying to the Minister's statements, may be summed up in the Hon. J. G. Haggart's reference to the capital expenditure of $3,765,170 in 1905-6 of which he declared that every dollar except $300,000 should be charged to revenue—leaving an actual deficit of over $3,400,000, instead of a surplus.

The official figures for the first new fiscal year—nine months ending Mar. 31, 1907—showed an addition to the capital account in that period of $1,506,209; gross earnings of $6,248,311; aggregate expenditures of $6,030,171; passenger earnings of $1,952,438 and freight earnings of $4,032,745. On Mar. 31, the Line had 370 locomotives and 11,385 cars of all kinds. The number of passengers carried was 2,044,847 and the tons of freight 2,606,073. During July of this year the earnings of the road were exceptionally heavy and Mr. M. J. Butler, Deputy Minister of Railways, told the press on Aug. 22nd that a recent inspection of three weeks had convinced him that the road-bed and rolling stock were in excellent condition. As to the car shortage: "We could use from three to four thousand more cars and fifty more freight engines. The shortage is being repaired as expeditiously as possible. The Rhodes Curry Company, of Amherst, who have the contract for 1,000 freight cars, have promised to hasten deliveries. As soon as the new shops in Moncton are completed we will be able to do much toward keeping the supply of locomotives and cars up to our requirements." Speaking at Brockville, on Sept. 10, the new Minister of Railways, Mr. G. P. Graham, declared that the I.C.R. must be made a paying concern: "If it was to be made to pay it must be run absolutely independent of political influence. He knew that it was not easy to do this, but it would have to be done and business acumen and sagacity would be required. The only way to keep the Intercolonial as a commercial enterprise was to treat it as a commercial institution." The other, and Conservative, view of the Railway was voiced in press summaries of the expenditures on capital account during the previous

ten years, and in the expression of opinion that these sums should have been charged to revenue and were in reality a part of succeeding deficits. The *Mail and Empire* of April 26 gave the following table of such expenditures:

1896 Conservative Rule	$ 314,610	1903 Liberal Rule	$2,089,174
1897 Liberal Rule	209,425	1904 Liberal Rule	2,781,607
1898 Liberal Rule	392,736	1905 Liberal Rule	6,480,881
1899 Liberal Rule	809,344	1906 Liberal Rule	3,827,085
1900 Liberal Rule	1,510,987		
1901 Liberal Rule	4,500,000	Total	$27,349,519
1902 Liberal Rule	4,433,770		

On Oct. 1st an award was rendered by a Board of Arbitration (Mr. Justice C. P. Davidson of Montreal, Mr. G. F. Shepley, K.C., of Toronto, and Hon. A. C. Killam) in settlement of the differences between the Grand Trunk and Intercolonial Railway in connection with the latter's acquisition of the Drummond County Railway in 1898 and the Grand Trunk's undertaking "to route all traffic destined to points on the Intercolonial Railway and its connections *via* Montreal and the Intercolonial Railway." The Award supported the Intercolonial Railway contention, declared the contract to have been broken, and allowed damages. On Nov. 15 it was announced that Mr. D. A. Story had been appointed General Freight Agent of the Intercolonial and Mr. A. T. Weldon Divisional Freight Agent at St. John.

Of other Government railways the Windsor Branch of the Intercolonial had gross earnings in the 9 months of the fiscal year totalling $45,440, with working expenses of $15,425; the Prince Edward Island Railway had gross earnings of $215,434 and working expenses of $283,148. The Ontario Provincial concern, the Temiskaming and Northern Ontario Railway, had receipts during the calendar year 1907 of $2,617,940 and expenses of $2,617,484.

Progress of the National Transcontinental Railway

During the winter of 1906-7 active work continued on the section of the National Transcontinental Railway between Fort William and Winnipeg known as the McArthur contract. Running through a difficult country every conceivable effort was made to plan and construct upon a straight line between the two centres and much progress was made. In February tenders were submitted to the Government for other sections of the National road running, as a whole, from Moncton to Winnipeg, and cheques for $2,325,000 were deposited by those concerned as security for their offers. The Grand Trunk Pacific Company tendered for all the five divisions under consideration—comprising 457 miles—and were awarded three of the contracts. Two of these were afterwards sub-let. One contract covering 150 miles went to M. P. and J. T. Davis, of Ottawa; another of 62 miles to Lyons & White, of Ottawa. The cost involved in the accepted tenders

was $13,000,000, or nearly $30,000 a mile. On April 24 appropriations were voted in Parliament totalling $28,360,000 for the construction of the Railway, and the Hon. W. S. Fielding stated that 590 miles were then under contract west of Quebec and 292 miles east of Quebec. Mr. Gordon Grant, C.E., was appointed in May as Inspector of Construction and the Government Commission, having charge of the projected line, announced its intention "to keep a close watch on the work of the various contractors, so that the quality of the work might be up to the contract standard and that reasonable progress be maintained on all sections under contract." It was announced at Ottawa on July 18th that contracts for 65,000 tons of steel rails, aggregating $1,850,000 in value, had been awarded by the Government to the Dominion Iron & Steel Company and to the Algoma Steel Company—the former getting about 43,000 tons, of which half was to be delivered in November, 1907 and half in July, 1908; and the other 22,000 tons for part delivery in November, 1908 and the balance in 1909.

During the summer construction was steady on the McArthur contract and progress estimates showed that each month about half a million dollars' worth of rock and earth was moved. On the route, so far under construction, it was estimated in October that over 18,000 men were at work drawing an average wage for ordinary labour of $2.00 to $2.25 a day and for skilled or experienced labour of $2.50 to $3.00 a day and totalling a pay-roll of over $1,000,000 a month. The main difficulty involved was a scarcity of labour and inefficiency in the men employed combined, too often, with an entire lack of discipline. On the other hand many splendid men were obtained who made and saved money. The annual Report of the Commissioners of the Transcontinental for the new fiscal year (nine months) ending March 31, 1907, was made public in November and showed a total expenditure to the end of March of $8,147,494. Connected lines of surveys had been completed for the entire distance between Moncton and Winnipeg and contracts for construction had been let for 852 miles. The length of the whole Government line would be 1,807 miles as compared with the original estimate of 1,890 miles. In the House of Commons, on Dec. 4th, it was stated by the new Minister of Railways (Mr. G. P. Graham) that the cost of grading, track-laying and ballasting, and of ties and rails required on the line from Moncton to Winnipeg. would be $41,946,-258. Official statements at the close of 1907 showed that 860 miles were then under construction, the number of men employed about 12,000 and the total sum paid contractors to be slightly over $11,000,000. The Commissioners during this year were Hon. S. N. Parent (Chairman) and Messrs. C. F. McIsaac, Robert Reid and C. A. Young. It may be added that the much-discussed local question of the route through New Brunswick was decided by an Order-in-Council of April 9 approving what was

called the central pusher grade route, or the back route from Grand Falls to Moncton. A strong protest was made against this decision by Mr. O. S. Crocket (Cons.), of Fredericton, in the Commons on April 24.

Progress of the Grand Trunk Pacific Project

The Grand Trunk portion of the National Transcontinental, running from Winnipeg to the Coast, made progress during 1907, even greater than its Government-built division.* Early in the year it was stated that three-fourths of the grading in the 790 mile stretch between Winnipeg and Edmonton had been completed; that track-laying had been commenced in the previous summer about 50 miles west of Portage la Prairie; that during the winter immense quantities of material had accumulated at Portage and Saskatoon; that 50,000 men would be wanted in the West for work during the warm weather; that something like 100 new stations and ultimately, no doubt, towns would be established during the year. By the end of February the location surveys of the section between Edmonton and the Fraser River had been completed and there remained only a short piece of line to Prince Rupert. It was also announced that the Yellowhead Pass through the Rockies had been decided upon as the route, and that the gradient would permit of the rapid handling of comparatively heavy freight and passenger trains. The following comparisons were made public by the Company:

Railways.	Highest Summits.	Max. gradient in feet per mile. East-bound.	Max. gradient in feet per mile. West-bound.	Total ascent in feet overcome. East-bound.	Total ascent in feet overcome. West-bound.
Grand Trunk Pacific—Western Division—Winnipeg to Prince Rupert	1 summit 3,712	21	26	6,990	6,890
Eastern Division—Winnipeg to Moncton	....	...	31	...	...
Canadian Pacific	2 summits 5,299, 4,308	237	116	23,106	23,051
Great Northern	3 summits 5,202, 4,146, 3,375	116	116	19,987	15,305
Northern Pacific	3 summits 5,569, 5,532, 2,849	116	116	17,830	17,137
Union Pac. System—Omaha to San Francisco	3 summits 8,247, 7,017, 5,631	116	105	18,575	17,552
Omaha to Portland	5 summits 8,247, 6,953, 3,537, 3,936, 4,204	106	116	18,171	17,171
Santa Fé System	6 summits 7,510, 7,453, 6,987, 7,132, 2,575, 3,819	175	185	34,003	34,506

Events followed one another quickly during the year. Mr. C. M. Hays returned from England in April with $5,000,000 from a flotation of four per cent. debenture stock. At the half-yearly meeting of the Grand Trunk in London on Oct. 10th it was

* NOTE—For a complete history of this enterprise see *Canadian Annual Review* for years 1902, 1903, 1904, 1905 and 1906.

stated that 40 miles of rails had been laid on the Lake Superior branch (Government line) and 135 miles on the Western division or G.T.P.; that 200 miles more would be laid down by the end of the season and that construction on the large bridges at Saskatoon, Edmonton and Battle River was proceeding satisfactorily. Prince Rupert, the expected centre of a future golden trade with the Orient and the terminus of what was described as the shortest transcontinental system in America; situated 50 miles from the southern extremity of Alaska and 550 miles north of Vancouver; developed the beginnings of what the Company hoped to make a model city at the head of a great harbour. On June 17 $450,000 was paid the Indians for certain surrounding lands. Large docks, telegraph lines and terminal works were under construction during the year. In June, also, the Grand Trunk Pacific Town and Development Company was incorporated by the Provincial Government of Alberta, with headquarters in Montreal, with Mr. Hays as President, F. W. Morse, Vice-President, and Henry Phillips, Secretary, and with general objects of a constructive character, the acquisition of lands and laying out of town sites, the promotion of immigration, manufacture of natural products and cement, and the operation of tramways, steamers, etc.

Plans were completed with the Canadian Northern for a splendid Union Station at Winnipeg, double track bridges over the Red and Assiniboine Rivers, and joint terminals. In British Columbia, Foley Bros., Larsen & Company obtained the contract for building a 180-mile branch from Kitimaat to Hazelton, and it was announced in August that the G.T.P. Company had acquired the Vancouver, Western and Yukon Railway and would connect this system (one of Mr. J. J. Hill's enterprises) with its main line at Fort George. A local incident of this period was the alleged opposition of the Company to the starting of a newspaper in Prince Rupert by Mr. John Houston, a somewhat notorious politician of Nelson, B.C. Eventually a tentative publication was issued called *The Empire*. In the Calgary *Albertan* of Sept. 2 Senator J. P. B. Casgrain had an enthusiastic presentation of the benefits which the Grand Trunk Pacific would confer upon the Dominion. It would, he declared, open up thousands of acres of fine arable land in Northern Quebec and the Lake Abitibi country; it would create in that region a great timber industry; it would make Quebec City one of the greatest centres for Western exports and general traffic on the continent.

In September Mr. C. M. Hays, President, Mr. F. W. Morse, General-Manager, and Mr. A. W. Smithers, a British Director of the Company, with various other officials, inspected the track laid or the work done from Winnipeg to Prince Rupert. Mr. Hays told the Winnipeg *Telegram* on Sept. 11 that the labour supply had been reasonably good but that great difficulty had been experienced in securing a sufficient number of railway ties.

PRINCE RUPERT, B.C.
The terminus of the Grand Trunk Pacific Railway as it was in 1907.

To the Edmonton press on Sept. 17 Mr. Hays said: "I expect to ride into Edmonton on our own system the next time I visit your city. The G.T.P. will reach Edmonton next spring or early in the summer. We are now ready to lay the track from Saskatoon to Edmonton continuously without interruption." At Vancouver he stated that lots in Prince Rupert would be sold in the spring of 1908 and that, meanwhile, surveys were being rushed. Mr. Collingwood Schreiber, Government Engineer of the Railway, in speaking to the press at Winnipeg on Oct. 11 reported progress, but did not seem to agree with Mr. Hays as to labour conditions. "From Portage la Prairie as far as Rivers, a distance of about 100 miles, the road is good enough for any traffic, although they are only hauling cars of grain away for the farmers. Sixty-two miles beyond Rivers the rails are laid and thirty miles of this is still to ballast. But we are terribly short of men and the work is being kept back. I believe there are plenty of men in the cities out of work, but they will not go out on a construction gang—probably because it is too hard work. That is why we want the Japs, but the people won't let them come in."

The actual cost of the Prairie section was found at this time to average $23,500 a mile as compared with the original estimate of $13,000. Wages were stated to be 50 per cent. higher than three years before and the cost of supplies from 50 to 100 per cent. higher. On Nov. 19 it was announced that an unbroken stretch of 420 miles of grading over the line of the Grand Trunk Pacific from Portage la Prairie to Saskatoon was completed; that three-fourths of this distance was traversed by steel, while the track-laying gangs were rushing the work on the last hundred miles; that by the new year this whole division would practically be ready for traffic. Three hundred and fifty miles would then remain before Edmonton was reached. Meantime the Canadian White Company had under contract the grading of the second division west of Winnipeg and extending 145 miles from Touchwood Hills to a point 4 miles west of Saskatoon. The grading at this date was completed and eastward from Saskatoon the steel was being laid at the rate of from one to three miles per day. According to Mr. G. P. Graham, Minister of Railways, there were, on Dec. 4, 800 miles under construction between Winnipeg and Edmonton at an estimated cost of $18,400,000. The cost of the line from Edmonton to the Pacific Coast he placed at $60,700,000. Official figures at the end of 1907 showed that the length of the Company's line would be approximately 1,740 miles and the Lake Superior branch, running from Fort William to a junction with the main line of the Transcontinental, another 200 miles; that of this total 1,000 miles were under actual construction, with about 800 miles of grading completed and 470 miles of track laid, of which 200 miles were ballasted; that during

the year over 22,000 men were employed, with an expenditure in labour and material totalling $12,000,000.

At the two half-yearly meetings of the G.T.P. Company—the one held in London in April and the other at Montreal on Dec. 5th—considerable information was given as to the general position and progress of the enterprise. On the former occasion Sir C. Rivers-Wilson stated that the Lake Superior branch work was well advanced and should be completed by the coming summer, and the road from Winnipeg to Edmonton by the end of the year—unless the labour scarcity continued; that a branch would be constructed to connect the Transcontinental with North Bay and the Grand Trunk system; that in the matter of equipment 2,650 cars had been delivered by the end of 1906 and a further large number contracted for. On the later occasion the Report of the President stated that the authorized mileage of the Railway, Transcontinental and branches, was 7,900 miles. The mileage under contract, construction work on which was in charge of the Grand Trunk Pacific, consisted of 988 miles from Winnipeg to Edmonton, including, also, the Lake Superior branch. The mileage under contract and in charge of the Transcontinental Railway Commission consisted of 852 miles of the main line in the eastern division; or a total of 1,840 miles of the new road then in the course of construction. The severe winter and late spring in the North-West had delayed the work very much, but as soon as the spring opened up the forces were increased and the work pushed ahead as fast as possible. Now, on the prairie section, there remained but a small portion of the grading to be finished, and the laying of tracks was going on between Portage la Prairie and Saskatoon, and it was expected to complete it to this latter point during the coming winter. The Directors were all re-elected, excepting three English members of the Board—Colonel Firebrace, Sir H. M. Jackson and Hon. N. C. Rothschild—who retired, in rotation, to re-assume their places on the Grand Trunk Board. The following composed the Directorate: Charles M. Hays, President; Frank M. Morse, Vice-President and General-Manager; William Wainwright, 2nd Vice-President; Sir C. Rivers-Wilson, G.C.M.G., C.B., John A. Clutton-Brock, Alfred W. Smithers, Sir W. Lawrence Young, Bart., E. H. Fitzhugh, W. H. Biggar, Hugh A. Allan, E. B. Greenshields, Hon. George A. Cox, E. R. Wood and J. R. Booth. The appointments made during the year included John W. Loud as General Freight and Traffic Manager and A. A. Tisdale, Assistant to the Vice-President and General-Manager.

There were some inevitable political discussions during 1907 in which the Grand Trunk Pacific figured. The Public Accounts Committee at Ottawa, early in March, discussed the accounts for surveys east of Winnipeg, which were transferred to the Government when the construction of the Eastern Division of the Transcontinental as a Government work was decided on. On

March 5-9-20 the subject was threshed out in Committee and various witnesses examined. The Opposition complained that full inquiry was prevented and demanded fuller details with the right to inspect vouchers or bills which had, it appeared, been returned to the Company after payment, in some cases, had been refused. In British Columbia the relations of the Grand Trunk Pacific Company to the Provincial Government was made an issue in the January elections. Under date of March 9, 1905, Mr. Morse had written the Premier asking for various privileges and a grant of 15,000 acres of land for each mile of train and branch line constructed in the Province by his Company. In return construction would be commenced in British Columbia almost at once and continued with rapidity through the Provincial part of the route. On Mar. 17 Mr. McBride replied that the proposition had been considered but "could not be entertained," and three days later Mr. Morse acknowledged the refusal of "conditions under which construction of the Grand Trunk Pacific in British Columbia might be commenced on the Pacific Coast and built through to the East."

The Kaien Island and terminal question was another issue.* A campaign claim of the Conservatives was that the Company was doing its utmost in the elections to defeat the McBride Government, and many columns of newspaper articles were written to prove the allegations. It was claimed, also, that in purchasing the Metlakatla Indian lands from the Department at Ottawa, in connection with the site of its Prince Rupert terminals, the Company had defied the reversionary rights of the Province which the McBride Government refused to waive. The Liberals alleged that the hostility of the Provincial Government was blockading G.T.P. progress and cutting the people off from the benefits of investment, and labour, and wages, and expenditures, which they would otherwise have enjoyed at once.

The Grand Trunk Railway during 1907

Apart from its intimate association with the construction of the Grand Trunk Pacific, the history of the pioneer amongst Canada's great Railways was not an eventful one during the year under review. Early in January Mr. C. M. Hays replied to a series of questions issued by the New York *Post* with some striking observations as to the railway outlook in 1907. He seemed to think that the gross earnings, though not the net earnings, would increase; that the operating cost would be kept up by the rates of pay for all classes of labour, the lessened efficiency which appeared to result, and the increased price of all kinds of material; that the scarcity of labour would act as a strong deterrent upon the construction of new lines as well as in the improvement of existing ones. He dealt with transportation troubles and popular complaints of the moment as follows: "The present congestion of freight is largely due to the fact that receivers of goods

* NOTE—See *Canadian Annual Review* for 1906.

have left it almost entirely to the railways to take care of their business instead of providing their own facilities for doing so, such as additional warehouses, storage tracks, facilities for prompt unloading, etc., expecting the railways to assume, in addition to their duties as carriers, the duties of warehousemen as well; secondly, to the desire of the people to move as large a portion of the grain crop between the close of the harvest and the end of navigation as possible." At a conference of railway managers held in the Grand Trunk offices at Montreal on Feb. 4, this view seemed to be generally accepted as correct. On April 15 it was announced that 5,000 freight cars of various kinds, ordered in the preceding November, were then being delivered, and they were described as of the most modern type—the steel coal cars having, for instance, a carrying capacity of 100,000 lbs. each. On July 24, following, it was stated that during the past year the Grand Trunk had purchased, altogether, $7,000,000 worth of rolling stock, including 60 passenger coaches, 100 engines and 5,200 freight cars, and that most of it had been received.

The question of a two cent third-class service which Mr. W. F. Maclean and others claimed was imposed, under its charter, upon the Grand Trunk Railway was much discussed during the year. It was debated in Parliament on Jan. 31st and was before the Court of Appeal of Ontario on Mar. 15 as the result of a conviction in the Police Court of Toronto which applied, personally, to Mr. C. M. Hays the section of the Criminal Code dealing with disobedience to an Act of Parliament as an indictable offence. Mr. Justice Osler delivered judgment quashing the conviction and spoke for his colleagues, Justices Maclaren, Meredith and Moss, as well as himself. He declared that "upon the mere statement of the case the answer must be that the conviction is wrong. The charge is that Hays committed the offence while the findings are that the Company did so. In the absence of any clear statutory enactment the defendant cannot be punished for the default of his Company. There is no authority to prosecute the defendant. The obligation, if there be one, is the Company's, and the Company, and not its official, however important and commanding the position which he occupies, is the one to be prosecuted."

Late in July the Railway Commission ordered the Grand Trunk Railway to provide a third-class car for passenger traffic on at least one train daily, each way, between Montreal and Toronto, with a fare not to exceed two cents a mile. On July 31, Mr. Hays announced an appeal to the Supreme Court of Canada on the ground that the Incorporation Act of 1852 was now superseded by the general Railway law of Canada. The Supreme Court, however, confirmed the Railway Board's order on Dec. 13th and ten days later the G.T.R. asked the Commission to hold

the order in abeyance pending an appeal to the Imperial Privy Council. This was granted. On Feb. 12th an announcement of policy was made by Mr. Hays which promised great benefits to the City of Ottawa. On behalf of the Grand Trunk Railway he offered the Civic authorities to build a new Central Station, costing $250,000, and to erect a much-needed new hotel in the capital at a cost of from $1,250,000 to $1,500,000 if, in return, the city would grant a fixed assessment of $150,000 on the station and one not to exceed $200,000 on the hotel for a period of 20 years and effect certain local improvements in connection with the Company's property. In presenting his proposal Mr. Hays told a Committee of the Council that ever since the G.T.R. had acquired the property of the Canada Atlantic Railway it had been anxious to see a central station and terminals in Ottawa commensurate with its importance as a city and as the Capital of the Dominion of Canada. He said he had never been there without realizing that if the visitor to Canada was to be impressed with the country it was quite necessary that his surroundings on landing at the capital should be as pleasant as possible. If the Company had not done much so far to remedy matters it was because of trouble in settling the claims of the Sparks estate to reversionary rights in the property on the canal reserve, over a part of which the Company's tracks were laid. After a conference with the Government and the heirs of the estate a very satisfactory settlement had now been reached and the Company was prepared to go ahead with the station and the hotel on reasonable terms.

Much local discussion followed between the Company and the Civic authorities; between both and the Federal Government. Sir Wilfrid Laurier took great interest in the settlement of the question (especially the difficult one of location) and the details were finally submitted to him and approved on behalf of the Government. On Sept. 26th arrangements were apparently consummated and accepted by all concerned; the Company were accorded three months in which to commence work and two years in which to complete the structures. The total cost of the hotel and station was estimated at $2,500,000 and, on Oct. 25, the City Council approved of a fixed assessment of $500,000 for 15 years on the hotel and $150,000 for 20 years on the station. The first sod was turned in the starting of the new structures by Mayor D'Arcy Scott on Oct. 26. In a brief address he paid high tribute to the Prime Minister's work in bringing the project to a satisfactory settlement; to the services of Mr. Hays in convincing his Board and those concerned as to the desirability of the undertaking; and to Mr. B. Lee Gilbert, the chosen architect of the combined buildings. Mr. C. R. Meredith, of Ottawa, was announced as the local architect in charge and Mr. Hays stated that his representative in the details of the work would be Mr. E. H. Fitzhugh.

The half-yearly general meeting of the G.T.R. Company was held in London on Apr. 11th. In his address Sir Charles Rivers-Wilson, the President, described the events of the last six months of 1906 as quiet and satisfactory; spoke of the Railway Commission's order establishing a maximum rate of three cents per mile east of the Rocky Mountains as, practically, not affecting the Grand Trunk at all because its rates in general were below that figure; mentioned the proposed establishment of a pension fund for the Company's employees involving the setting aside of $70,000 or $80,000 per annum; described the successful issue in February of the 4 per cent. debenture stock of the Grand Trunk Pacific which the Company had guaranteed, and dealt at length with the position and progress of that great project. The half-yearly meeting held on October 10 was largely attended. The President compared the cost of maintenance of the Pennsylvania and New York Central Railways with that of the Grand Trunk, greatly to the advantage of the latter; described the enormous rise in wages as responsible for the heavy increase in expenditures—met, however, by larger receipts; defended the pension fund as necessary to retain good employees of the Company and stated that it had been decided to put aside the enlarged sum of $200,000 for that purpose; referred briefly to the Ottawa hotel and station project. The following table affords a picture of the Railway's financial condition in the two half-yearly periods making up the calendar year 1907:

Particulars	Half-Year ending June 30, 1907.	Half-Year ending Dec. 31, 1907.	Calendar Year 1907.
Gross Receipts	£3,381,259	£3,763,246	£7,144,505
Working Expenses	2,486,544	2,710,933	5,197,477
Net Traffic Receipts	894,715	1,052,312	1,947,027
Net Revenue Receipts	1,025,792	1,194,394	2,220,186
Net Revenue Charges	710,474	667,218	1,377,692
Surplus	315,318	527,175	842,493
Half-yearly Dividends	313,909	535,062	848,971
Receipts from Passengers	889,281	1,162,593	2,051,874
Number of Passengers Carried	4,936,016	6,291,396	11,227,412
Receipts from Freight	£2,271,948	£2,347,182	£4,719,130
Tons of Freight Carried	8,510,574	8,881,347	17,391,921
Cost of Maintenance of Way and Structures	£287,671	£583,457	£871,128
Maintenance of Equipment	653,285	538,968	1,192,253
Conducting Transportation	1,387,343	1,445,413	2,832,756
General Expenses and Taxes	158,245	143,096	301 341
Train Mileage	10,081,813	10,525,322	20,607,135
Expenditure on Capital Account	£432,579	£287,691	£720,270
Gross Receipts—Canada Atlantic Railway	180,646	244,147	424,793
Working Expenses	206,343	242,409	448,752
Gross Receipts of Grand Trunk Western Railway	599,033	683,757	1,282,790
Working Expenses	516,535	578,802	1,095,337
Gross Receipts—Detroit, Grand Haven and Milwaukee	165,644	206,671	372,315
Working Expenses	139,662	163,156	302,818

It is significant of the heavy demands of the winter season to note that in the first half of 1907 the gross receipts increased 1·90 per cent. and the working expenses 13·81 per cent. During this period it was found necessary to double the line running 31 miles from St. Lambert, at the end of the Victoria Bridge, to Ste. Rosalie, the junction with the Intercolonial, at an estimated cost of $940,000. The completion of the double track between Lynden and Brantford and London and Hyde Park Junction gave the Company a continuous double track for 850 miles from Montreal to Chicago—excepting the St. Clair tunnel and about 5 miles at Valparaiso. Early in the year plans were submitted to the Minister of Railways for a deviation of the Grand Trunk route between Montreal and Toronto and the building of a double track line along the Lake shore so as to avoid the heavy gradients of the present road over Scarboro' Heights. The aggregate expenditure was estimated at $10,000,000, and Montreal papers declared that it was a gigantic bid against the C.P.R. for a larger share of Ontario's business. Toronto, however, objected to the plans of entrance as devised and at the end of the year the subject was still under consideration and discussion.

Incidents of the year in connection with the G.T.R. included the protest of Port Hope against certain water-front proposals of the Company; the establishment in June of an improved additional service out of Toronto by the inauguration of the fast "Ontario Limited" in the district including Toronto, Hamilton, Brantford, Paris, Woodstock, Ingersoll and London, and of a new train for the section covering Toronto, Brampton, Guelph, Berlin, Stratford, etc.; the claim before Mr. Magistrate Ellis, of East Toronto, in a case involving infringement of the Lord's Day Act, that there were lines of traffic and certain arrangements and work which had to be continued on Sunday or the Company would lose heavily. Mr. F. Price, Superintendent of Car Service for the Railway, put one case as follows: "Under our system we have through freight trains leaving Chicago every day carrying fine commodities for certain cities in Canada and the New England States. Our route from Chicago, through to the New England States to points such as Portland and Boston, is shorter than those of the American lines and consequently we do a good share of the through traffic. A delay of one day at a Canadian terminal point restores the advantage to the American lines, and consequently entails to us a big fall off in business." The work done, according to the Railway officials, was entirely a work of necessity.

It was stated in the spring that during the coming season 20 new stations, exclusive of the large projects at Toronto and Ottawa, would be built in Ontario at an expense of $80,000. In November the G.T.R. applied to the Labour Department at Ottawa for a Board of Arbitration to deal with the difficulties which had

arisen between the Company and its Telegraph operators belonging to the international Order of Railway Telegraphers. The Board was duly appointed and composed of Professor Shortt, of Kingston University (Chairman), and Messrs. Wallace Nesbitt, K.C., and J. G. O'Donoghue, of Toronto. By a decision reached early in 1908, and accepted by those concerned, the men received an increase of 10 per cent. on the lower grade of salaries, a distribution of $10,000 per annum for higher salaries, and allowance for overtime and Sunday work. On Sept. 12 it was announced that no more stored acetylene gas would be carried by the Company on its cars except where used for lighting purposes; and a few days later the full details of the new pension scheme were outlined to the employees. It was to go into effect on January 1, 1908, and to start with an appropriation of $200,000 and the promise of about $75,000 a year. It would apply to every employee when he reached the age of compulsory retirement at 65 and no assessment upon the men was to be made. A number of appointments were made during the year. Mr. A. E. Duff became General Passenger Agent at Winnipeg on Feb. 1st; Mr. F. H. McGuigan retired from his post as 4th Vice-President of the Company in March to join, as it turned out for only a brief period, the Great Northern staff, and was succeeded as General Manager of Transportation by Mr. W. G. Brownlee and as 4th Vice-President (in July) by Mr. William Wainwright; early in July, also, Mr. Joseph Hobson was appointed Consulting Engineer to the Company with headquarters at Montreal, Mr. Howard G. Kelley became Chief Engineer of the Railway, and Mr. William McNab, Assistant Chief Engineer.

The Canadian Pacific Railway during the year

On June 28th of this year the C.P.R. celebrated the 21st anniversary of its first transcontinental train leaving Montreal. From a mileage of 4,651 it had grown to over 13,000, and from earnings of $10,000,000 it had leaped to over $72,000,000. The year itself was one of great expansion as well as of considerable natural difficulties and the heavy expenses of a remarkably severe winter. The gross earnings for the fiscal period ending June 30 were $72,217,527; the working expenses $46,914,218, or 64·96 per cent. of the gross earnings; the net earnings $25,303,308 or 35·04 per cent. of the gross earnings; the surplus $19,156,033, and the net surplus $9,339,005. The gross earnings increased over 1906 by $10,547,769; the working expenses by $8,217,773, the net earnings by $2,329,996, the net surplus by $1,070,923. Four per-cent. consolidated debenture stock to the amount of $4,650,000 and preference stock to the amount of $1,250,000 were issued for the construction of branch lines and other expenditures sanctioned by the Directors. Mortgage bonds of $3,500,000 issued by the Minneapolis, St. Paul and Sault line were endorsed by the Company so far as the payment of interest was concerned. The land sales of the year totalled 994,840 acres at

$5,887,377, or an average of $5.92 per acre. The Assets of the Company on June 30, 1907, were as follows:

Cost of Railway and equipment	$253,711,217 76
Ocean, Lake and River Steamships	16,416,695 44
Cost of acquired Securities	53,457,913 57
Properties held in trust for the Company	3,414,259 08
Deferred payments on land and town site sales	15,854,612 77
Advance to Duluth, South Shore & Atlantic Ry.	236,213 19
Advances to lines under construction	6,702,045 65
Material and supplies on hand	9,425,612 88
Station and traffic balances	8,461,998 75
Imperial and Dominion Governments	263,760 93
Cash in hand	21,394,951 93
	$389,339,281 95

In addition to these Assets the Company owned 8,905,823 acres of land in Manitoba, Saskatchewan and Alberta and 3,419,-673 acres in British Columbia. Upon this point Sir T. G. Shaughnessy, in his address at the annual meeting in Montreal on Oct. 2nd, spoke of the difficulty of placing an accurate valuation upon the lands, but thought the farm lands in the West would bring higher prices than any yet received, and that coal as well as timber would be found on the British Columbia lands. The *Financial Post,* of Toronto, in October, estimated the present value of these lands at $80,000,000 and a fair future valuation as $117,000,000. *The Financial Times,* of London, England, a little earlier in the year stated the sale of C.P.R. lands in 1902-6 at 6,782,668 acres, realizing $27,690,435, or an average of $4.34 per acre; and claimed that the land assets of the Railway, including $16,000,000 due on deferred payments, were worth more than $100 an acre to the shareholders, or over $120,000,000. Another estimate put the valuation at $180,000,000, while the London *Daily Mail* raised the figures to $305,000,000—basing its calculation upon the price of mineral and timber lands as well as of agricultural holdings. Up to the middle of 1907 the total sales of C.P.R. lands, townsites, etc., had realized $62,985,794. The Liabilities of the Company on June 30, 1907, were as follows:

Capital stock	$121,680,000 00
Four per cent. preference stock	43,936,665 70
Four per cent. consolidated debenture stock	106,045,411 21
Mortgage bonds	40,238,086 33
Current accounts, pay rolls, and traffic balances.	14,355,682 16
Interest on funded debt and rental of leased lines	1,386,144 65
Equipment obligations	2,240,036 67
Equipment replacement fund	1,131,360 64
Steamship replacement fund	1,540,666 67
Appropriation for additions and improvements.	4,323,652 29
Land grant	21,748,422 45
Surplus	30,713,153 18
	$389,339,281 95

The receipts of the Company for the fiscal year included $8,316,335 from the Land Department; $15,804,301 from payments for additional ordinary stock and $6,072,965 from issues of other stock; $18,376,033 receipts from surplus revenue. With cash in hand of $17,752,415 on June 30, 1906, and certain other items deducted, the total receipts were $56,229,367. Of the expenditures $4,484,974 was on construction of acquired and branch lines; $11,081,884 on additions and improvements to main, leased and branch lines; $13,477,994 on rolling stock, shops and machinery; $9,012,694 on dividends; $706,556 on steamship lines; $1,500,000 as a final payment to Dominion Government *re* land grant bonds; and $1,036,087 for acquisition of certain Railway properties. Of the gross earnings for the year $19,528,878 were from passengers, $45,885,968 from freight, $722,937 from mails, and $6,079,744 from sleeping cars, express, elevators, telegraph, etc. The equipment of the Railway on June 30, was as follows:

Locomotives	1,296
First and second-class passenger cars, baggage cars and colonist sleeping cars	1,191
First-class sleeping, dining and café cars	224
Parlour cars, official and paymasters' cars	51
Freight and cattle cars (all kinds)	40,405
Conductors' vans	722
Board, tool and auxiliary cars and steam shovels	2,108
Number of ocean, lake and river steamers	55

The number of passengers carried in 1905 was 6,891,511, in 1906 7,753,323, in 1907 8,779,620; the tons of freight carried in 1905 were 11,892,204, in 1906 13,933,798, in 1907 15,733,306. The mileage of the Railway on June 30, and included in the traffic returns, was 9,153. With the mileage of other lines worked and under construction the total was 10,239; that of the Minneapolis and St. Paul and the Duluth and South Shore combined was 2,873 miles additional. The most notable feature in the notable Report for 1907 was, perhaps, the fact that despite the special difficulties of the year in climatic troubles, labour prices, and cost of supplies, both the gross and net earnings had increased in so marked a degree. The operating expenses for the year naturally increased largely as the following table shows:

	1906.	1907.
Conducting Transportation	$18,785,695	$23,765,138 08
Maintenance of Way and Structure	9,105,249	10,110,957 49
Maintenance of Equipment	7,369,565	9,083,248 61
Parlour and Sleeping Car Expenses	231,688	318,823 80
Expenses of Lake and River Steamers	511,390	564,552 11
General Expenses	1,964,093	2,188,857 87
Commercial Telegraph	728,762	882,640 87
Total	$38,696,442	$46,914,218 83

During the year various projects were undertaken, completed or considered by the C.P.R. Company. An agreement was made with the Northern Colonization Railway to extend that Company's line 34 miles from Nomininguc to Rapide de l'Orignal in the Province of Quebec. The St. Mary's and Western Ontario Railway, running from St. Mary's to Embro, was leased with the option of purchase; construction of the branch railway from near Sudbury to Kleinburg, on the Ontario division of the main line, was continued and debenture stock issued to meet the additional expense of work and material over what had been anticipated; the proposal to construct a branch 50 miles in a northwesterly direction from Moose Jaw, Saskatchewan, was extended 100 miles further and it was stated that another branch from Regina to the vicinity of Saskatoon, in the same Province, would be proceeded with at an early date; fair progress was announced on June 30 with the building of 747 miles of line west of Lake Superior—two-thirds of the grading being completed and 270 miles of track laid; the double tracking of the Railway between Fort William and Winnipeg proceeded steadily and in eastern Canada the line from Guelph to Goderich was completed; some work was done on the Walkerton and Lucknow Railway and the second track between St. Anne's and Smith's Falls (100 miles) was partly laid.

The C.P.R. extension from Toronto to Sudbury reached Bala Falls in Muskoka in the middle of the year and it was estimated that when completed to the main line this branch would shorten the time between Toronto and Vancouver by five or six hours. According to plans announced by the officials on Feb. 1st the construction of seven branch lines in the Western Provinces was to be rapidly pushed through in 1907 together with substantial grade reductions on various sections; the construction was announced of an immense bridge upon the Lethbridge to Macleod line, which, it was stated, would cost upwards of $1,000,000; the erection of a new station at Port Arthur and a new hotel at Victoria were proceeded with; double tracking on various parts of the system and the changing of light steel to heavy on some 330 miles of road, together with various other betterments and lesser improvements were to be effected. A good proportion of this programme—which was said to include 1,482 miles then under construction and 534 miles of double tracking—was carried out.

A policy of railway development and coal mining operation in the Crow's Nest Pass country was announced in the spring; to commence with the lapse of the arrangement between the Government and the Crow's Nest Pass Coal Co. as to the sale of coal mined in that region. It was stated later in the year that an arrangement involving expenditures of $3,000,000 had been completed for the building of a line from Peterborough, Ont., to Victoria Harbour. On July 2 a new fast train across the con-

tinent—the Trans-Canada Limited—left Montreal for the Coast. Established for the convenience of the tourist traffic, the service was maintained until Sept. 1st. The new branch from Saskatoon to Asquith, Sask., was opened on July 16. Toward the close of the year much official attention was said to have been given to the proposed branch line from Kamloops, B.C., to Edmonton, Alta.; announcements were made in the press of the intended construction of a great dock at Fort William together with new freight sheds and an immense clearing elevator; while Mr. Whyte, on Nov. 6th, stated that details had been settled as to the bridge connecting Edmonton and Strathcona. It would be the highest bridge structure in Western Canada and 2,500 feet in length. The formal opening of the Guelph and Goderich branch was celebrated at the latter place on Sept. 12.

Like the other great Railways of the continent the Canadian Pacific suffered from the storms of 1907. In stating the discontinuance of certain trains on the Lethbridge-Macleod section Mr. R. R. Jamieson, General Superintendent, on Jan. 17 said: "Everything is conspiring to hamper traffic. On the open prairie, cold and drifting snow cause great inconvenience and, then, lack of coal also hits the Company hard. During all my railroad experience in the West I have never seen such continued severe weather." In this matter of the lack of fuel, Mr. Whyte, 2nd Vice-President, after telling the press on Jan. 15 that never, since the Canadian Pacific entered the West, had storms of such violence been experienced, went on to say:

> It was solely owing to the great resources that were now available for coping with it that the people were saved from a great amount of suffering and death. The most serious feature of the case was the fact that the settlers had been deprived of their usual stacks of coal by the strike at Lethbridge, and were thus without the proper kind of fuel required for their homes. The distribution of the coal supply, now that the mines had been re-opened, was being carried out as expeditiously as possible. A great deal had been written on the subject of the coal famine which showed that the real question was very imperfectly understood. People were clamouring for coal from Crow's Nest, from the Company's mines in the mountains in the neighbourhood of Banff, but they did not realize that coal from these and other mines in the West was unfit for use in the stoves that were used by settlers through the Prairie Provinces. The only local coal that was suitable for consumption under western conditions was the lignite produced at Lethbridge. That coal could not be produced fast enough to meet the requirements of the public in this exceptionally trying winter. But the Company was doing its best to relieve the situation by letting the people have its own supplies—the coal it had shipped for its own use from Pennsylvania mines to Fort William. It was selling this coal at cost price, plus the bare cost of freight.

The efforts of the Railway appear to have been well organized and appreciated by those who studied the situation. Writing on Feb. 21st the staff correspondent at Regina of the Toronto *Globe* said: "It must not be imagined that, because the West has

escaped widespread disaster, or with the exception of the ranching industry, even serious disaster, that there was not necessity for the utmost vigilance and activity on the part of Government and railway authorities all through the last months. In Saskatchewan, where the conditions were most acute, Hon. W. R. Motherwell, the Minister of Agriculture, insisted that after every case of reported hardship and disaster had been investigated the fact remained that the long cold spell had come to an end without evidence of any real calamity. This fortunate result I attribute, in a large part, to the way the C.P.R. has risen to the occasion, and to the heroic work of the railwaymen of all classes and grades. The statement of absence of real calamity is borne out entirely by Colonel Perry, Commissioner of the Royal North-West Mounted Police, whose headquarters are, of course, here in Regina."

Complaints of car shortage troubled the C.P.R. as they did other Railways. It was due, in part, to the blocking of trains by snow, the severity of the weather and the length of the winter, the great quantity of wheat remaining to be moved, the fact of much wheat being kept in temporary elevators, or out on the prairies, where it was mixed with snow and ice, the failure of United States railways to return cars sent over their lines with Canadian products, the slowness of people in loading and unloading cargoes, the inability of manufacturers to fill orders for cars and locomotives. So great was the demand for cars that for a time the Canadian Pacific and Canadian Northern ceased to exchange or carry each other's freight. On April 10 the Winnipeg *Free Press,* in an elaborate article, stated that "at the present time there is a lack of cars on all the western branches of the Canadian Pacific. It is claimed that fully one-third of the crop of 1906 is still in the hands of farmers or in interior elevators. Farmers on all the western lines of the Canadian Pacific are demanding accommodation, and the same thing is true of other shippers. The C.P.R. are also in need of cars for the purpose of carrying coal from the mines on the Crow's Nest for the locomotives of the Company." It was added that the Canadian Northern, at this period, had 2,015 C.P.R. cars in use on its lines. Writing to Sir Wilfrid Laurier, on Feb. 11th, Sir T. G. Shaughnessy, President of the C.P.R., admitted the difficulty of all the railways in carrying all the traffic offered to them at this time, and explained the reasons as follows:

> In the present instance the railway companies called attention to the abnormal development which had taken place in the country in the past five years, a development that has resulted, not only in a vast expansion of the traffic to be transported, but has increased a hundredfold the difficulty about getting men and material to do the work necessary to enable the railways to handle it. Cars and locomotives were not the only essential. Increased crossing sidings were required, so that a greater number of trains could be moved over a given section each 24 hours. Terminal

yards, round-houses, shops and freight houses, had to be enlarged and additional water service to be provided. Then there was the road-bed of the railway to be strengthened and improved in order that it might be able to bear the strain of the additional tonnage that it was required to carry, and a thousand and one other works were rendered necessary.

At the end of the year 1901 the C.P.R. Company had 732 locomotives, and 22,473 freight cars, and at the end of 1906, five years later, the Company had 1,204 locomotives and 37,467 freight cars; so that in these five years there was an increase of 472 locomotives and 14,994 freight cars, or about 70 per cent. in each case; without taking into account the fact that each locomotive and each car was of much greater capacity than those previously in the service. These, with the passenger cars and other rolling stock, or equipment purchased and built, or in process of construction at the end of the year, represent an expenditure approximating $28,000,000. During the same five years the outlay for other facilities, such as line improvements, shops, round-houses, and other works, calculated to facilitate the operation of the line, was about $44,000,000, or a total of $72,000,000, and these figures, understand, are quite exclusive of $35,000,000 spent by the Company in these same years for the construction of new railway lines to further develop the country and for steamships to strengthen Canada's position on the Atlantic Ocean.

Complaints were, of course, many and some specific. The Frank (Alberta) Board of Trade early in the year sent a memorial to the Government declaring that the C.P.R. would not haul its coal out to a waiting market; the Winnipeg *Free Press* denounced the passenger service of the C.P.R. and declared that if the Railway had done much it had not done all it should; correspondents of that paper on May 28 described various cases of delayed, irregular, or erratic, train service. The Railway's reply to the Frank complaint was that the mines there preferred shipping coal to the States, where the C.P.R. cars were held for local use. Mr. D. McNicoll, Vice-President and General-Manager of the Railway, said to the press late in August: "We have been getting cars wherever we could find makers willing to take orders for reasonable delivery and, in addition, our own works have been turning out about as much as all the other shops put together. For a long time past we have been turning out a train of 28 box and flat cars every day at the Angus shops, as well as from six to ten steel cars. During the past year we have turned out about six thousand freight cars, as well as many passenger and other cars, while every five days see a new locomotive built there for our use. During the year we have built seventy locomotives and added altogether about two hundred engines to our stock, probably spending upwards of $10,000,000 on our rolling stock, so that we should be in an excellent position to meet any demand for cars."

It was announced at the same time that 15,000 cars would be available for moving the new crop of 1907 in the West. At the annual meeting of C.P.R. shareholders in Montreal on Oct. 2nd Sir Thomas Shaughnessy was optimistic in his remarks and there were no criticisms of the Report which is elsewhere summarized. The President in his remarks referred to the severe winter and

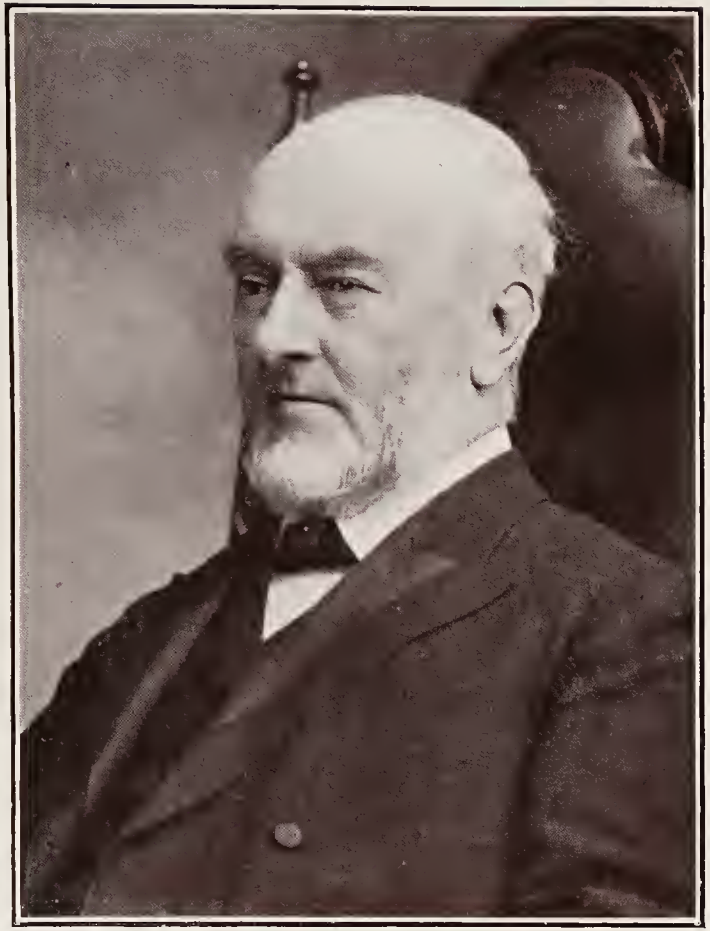
the increase in cost of labour and materials as responsible for the increased ratio of working expenses to income and stated, in connection with the Company's Western irrigation work, that "by the end of the present season 361 miles of canals and ditches will have been completed in the western section of the irrigation block, sufficient to give water to approximately 210,000 acres out of a total of 350,000 acres to be served in that section; and the ultimate cost of the work, which should be finished next year, will be in the neighbourhood of $6.50 an acre, including the expenditures on the main canal which will be available for the central and eastern sections as well." The result of the work would be profitable not only in the lands irrigated but by the increased value of neighbouring land. Sir Thomas stated that the Company now had 74,000 officers and employees with a monthly pay-roll of $3,700,000; and not including the men connected with industries supplying the Company with material, rolling-stock, etc. Altogether at least one-fifth of the people of Canada received their income, directly or indirectly, from the C.P.R. Of the ordinary shareholders there were 14,000 individuals whose holdings did not exceed 50 shares. The Executive Committee was re-elected as follows:

Sir T. G. Shaughnessy, K.C.V.O., President of the Company.
Sir W. C. Van Horne, K.C.M.G., Chairman of the Board of Directors.
Lord Strathcona and Mount Royal, G.C.M.G.
Mr. E. B. Osler, M.P. Mr. R. B. Angus.
Mr. David McNicoll, Vice-President of the Company.

In the autumn Sir T. G. Shaughnessy and a large party of Directors and officials made a trip through the West and on to the Coast. Optimistic views were expressed as to the carriage of the 1907 crops. In Montreal, on Nov. 5th, Mr. G. M. Bosworth, 4th Vice-President, made the important announcement that from Dec. 1st there would come into effect a very substantial reduction in freight charges between eastern Canadian cities and points west of Fort William. "The object of these reductions," said Mr. Bosworth, "was to stimulate traffic by the Canadian Pacific route, and to enable merchants and traders who get the bulk of their goods by the lake and rail route, during the season when navigation on the Great Lakes is open, to have their supplies constant during the winter months." During this and the succeeding months there were some complaints as to car shortages and delays, but nothing in comparison to those of the preceding season. The Winnipeg Board of Trade received and voiced many of these allegations and on Nov. 7th Mr. Whyte stated that 17 working trains had been taken from construction and put to hauling grain out of Saskatchewan, where the difficulty chiefly existed. The weekly C.P.R. report of Nov. 11 indicated that there were then 50 per cent. more cars available daily in the West than during the same period in 1905 and 1906.

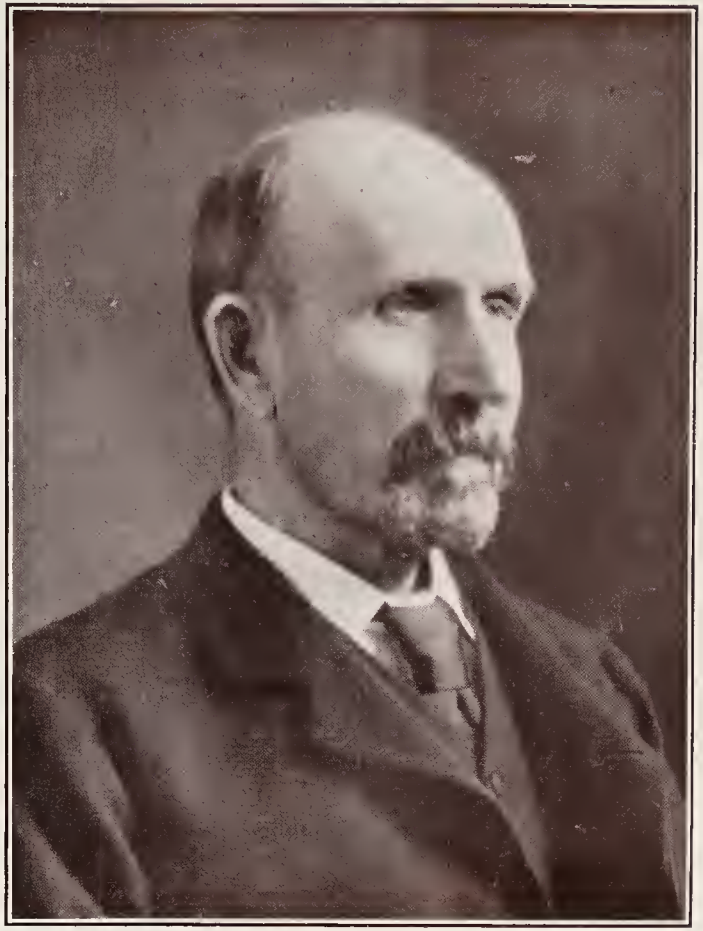
The question of further development in Vancouver Island received the earnest attention of the C.P.R. authorities and their subsidiary line, the Esquimalt and Nanaimo Railway Company, during 1907. Early in the year Mr. R. Marpole was appointed General Executive Assistant for British Columbia, and, as Vice-President of the Esquimalt and Nanaimo Railway, was given charge of the Company's land and timber and mining interests on the Island. His duties included, also, the supervision of exploration and construction of new lines and extensions, such as a railway from Nanaimo to the Western coast of the Island, which was announced as a possibility for completion during the year. To the press on Feb. 13th Mr. Marpole said that by express wish of the President he would "make a special study of the best methods of exploiting and developing the undoubtedly great potential wealth and general possibilities of the Island." Improvements were immediately proceeded with on the Esquimalt and Nanaimo line and Mr. Marpole stated on Aug. 27th that extensions to Alberni and Comox would be carried out in the near future, while the establishment of up-to-date yards and terminals at Victoria simply awaited the settlement of the Songhees Reserve question. The scheme for opening up the E. & N. lands for settlement approached solution during the year. Negotiations continued between Mr. Marpole and the British Columbia Land Development Co., while Mr. R. E. Gosnell, for the latter concern, went to London in order to make certain financial arrangements. In September a block of land was purchased at Victoria for freight sheds and side-tracks and a prolonged controversy with the City followed regarding the laying of tracks from the existing terminals to the new site.

Incidents of the year included the payment of $20,712 to the victims of the Azilda disaster in 1906; a sharp attack upon C.P.R. stock in Wall Street during March resulted in a temporary decline during one week from 174 to 155; the opposition of Mr. Harold Cox and other British Radicals in Parliament to a ratification of the contract for the conveyance of mail between Liverpool and Hong Kong—which was, however, approved by a large majority on March 27; the growth of flour shipments *via* the C.P.R. steamship line from Vancouver to Japan; the settlement, early in May, of the difficulties with the Telegraph operators of the Company; the dismissal, on May 22nd, of consolidated suits for $200,000 damages in connection with the collision of the C.P.R. steamer *Princess Victoria* with a tug belonging to the Union Steamship Company; the refusal of the C.P.R. Company to pay school taxes at Sprucevale, Alta., and the renewal of litigation upon this important principle; the legal controversy in New York courts between Sir T. G. Shaughnessy and Augustus Heinze, of Butte, Montana, over the land grant held by the Columbia and Western Railway; the announcement in August



Sir William Mortimer Clark, K.C., LL.D.

Lieut.-Governor of Ontario.
Knighted by His Majesty the King in 1907.



Sir Robert G. Reid.

President of the Reid-Newfoundland Company.
Knighted by His Majesty the King in 1907.

that $6,000,000 of 4 per cent. debentures had been sold in London at the striking price of 102; the establishment of a new schedule of Pacific Coast freight rates; the case before the Supreme Court at Ottawa in which the C.P.R. and the Ottawa Fire Insurance Company were figures in a constitutional case involving Provincial power to grant contract business rights outside of the Province; the reduction of rates in November on coarse grains from Winnipeg to Fort William to the rates allowed on wheat; the appointment of a Board of Conciliation to settle the troubles between the Railway and its car-men in the West; the institution of actions against the Company by the Attorney-General of Saskatchewan for causing Prairie fires along its route; the riot at Olds, Alta., on June 3rd, over the C.P.R.'s effort to close a street crossing and the Supreme Court decision on Dec. 12th that the Company was within its rights; and the establishing of a new freight tariff between Eastern Canada and Edmonton, Alta., on Dec. 26th.

At the close of the year (Dec. 30) a special meeting was held to approve the issue of $28,320,000 of common stock—bringing the capital stock up to $150,000,000. In his address the President said that the money was needed to meet the requirements of Canada's increasing growth. It was decided to issue $24,336,000 of this amount at once and to offer it at par to shareholders of record. It was stated at this time that the Company's gross earnings for the five months of July-November, 1907, were $2,943,461 in excess of the same period in 1906. During the year the interminable battle of the ports—Halifax *versus* St. John—was continued from time to time. It was discussed in the Senate on Jan. 17th and Senator L. G. Power contended that Halifax was 250 miles nearer Liverpool than St. John, while Senator J. V. Ellis, of the latter place, said that the C.P.R. naturally did not want to call at Halifax because its own line terminated at St. John, and its interests centered there. The question of giving the Canadian Pacific running and other rights over the Intercolonial was discussed in the Maritime Province press as a way of helping to settle the rival claims of the ports and also in conference, on Feb. 6, between Sir T. G. Shaughnessy, Hon. W. S. Fielding and Mr. D. Pottinger, of the I.C.R. The acquirement of an option upon the controlling interests of the Quebec Railway Light and Power Company was an incident of this period, and was rumoured to involve a future exploitation of Labrador. It was also alleged in the autumn that the C.P.R. was going to build through the Yellowhead Pass of the Rockies, but nothing definite seems to have been done. It may be added that the highest quotation of C.P.R. stock in 1907 was 145⅛ and the lowest 140, as compared with 90½ and 72, respectively, in 1898.

A curious event of 1907 in railway circles was the controversy between the Canadian Pacific Telegraph Company and the Western newspapers over the Company's Associated Press Service.

In September an effort had been made by certain newspapers in the West, headed by those of Winnipeg, to establish a Western Associated Press independent of, and in competition with, the service which had so long been supplied by the C.P.R. over its own telegraph lines. Whether in retaliation or not the Company, on Oct. 1, announced an increase in press telegraph rates which, it was claimed, were nearly double those previously existing. The Nelson (B.C.) *Daily News* appears to have been advised toward the end of September by the C.P.R. that Press services over its line would be discontinued. Friction had existed for some time between this newspaper and the Company, and the action may have had nothing to do with the general situation. It was, however, taken up with keen resentment by many of the papers in the new Associated Service which, by the close of the year, included the three Winnipeg dailies, the Brandon *Sun* and *Times,* the Regina *Leader* and *Standard,* the Saskatoon *Capital,* the Moose Jaw *News* and *Times,* the Calgary *Herald,* the Edmonton *Bulletin* and *Journal,* and the Fort William *Herald.*

The action of the Company was styled an outrage and an attempt to choke the Western newspapers into submission; the *Free Press,* of Winnipeg, declared that the new Service was the only safeguard of the Western press against monopoly. The Toronto *Globe* also attacked the C.P.R. Telegraph Service on Oct. 4th with more than ordinary vigour and declared the situation to be intolerable. The fight took a still wider range in the struggle of the new Service for existence. It was recognized, through press rates being accorded, by the Canadian Northern, the Western Union, and the Great Northwestern Telegraph Companies, but the C.P.R. refused anything of the kind, and it was, therefore, practically impossible to get news from or to many important Western points. On Oct. 7th the Winnipeg papers published a long and elaborate series of letters passing between the newspaper managers and Mr. John Tait, Superintendent of C.P.R. Telegraphs. In this correspondence the latter demanded an assurance that press despatches received by the papers concerned—under the regulations of the Company covering special press rates—would be used " only at the point addressed." This, of course, was a blow, whether intentional or not, at the new Press Association, and involved its loss of the privilege of receiving any news over C.P.R. lines at single newspaper rates. On Oct. 4th Mr. Tait intimated that as the Winnipeg papers would not recognize the regulation mentioned their further despatches would be handled at ordinary commercial rates.

A meeting of Western Canada publishers was held at Regina on Oct. 9 with representatives of 11 newspapers in attendance. After a prolonged conference they united in a despatch to the Prime Minister at Ottawa which called his attention to the " arbitrary advance in press rates, without notice," and declared

that the Company was charging discriminatory rates and, in some cases, commercial rates on press messages. They asked if there was any machinery under which this case could be dealt with by the Government, as it now "menaced the freedom of the press" in Western Canada. Meanwhile, Sir T. G. Shaughnessy was in Winnipeg and stated that all he knew about the matter was what he had seen in the newspapers. To the despatch described above, Sir Wilfrid Laurier replied as follows: "As you know, Government is without any authority in this matter, but will deem it their duty to look into the question with a view to finding a redress to your grievances. I may add I am advised that the Canadian Pacific Railway, at headquarters, disclaim any knowledge of the change of which you complain." On Oct. 12th a portion of the trouble was settled by the C.P.R. Telegraph Company notifying the individual newspapers that the press rates in force prior to August 1st had been restored. After further discussion the Western Associated Press was given a general rate of 50 per cent. in advance of the ordinary press rate, and in this arrangement the G.N.W. Company also joined.

A personal incident of the year was the appointment of Mr. C. E. E. Ussher as Assistant Passenger Traffic Manager at Winnipeg and the farewell banquet tendered him by 200 of Montreal's business men on Jan. 8th. On March 1 Mr. George J. Bury became Assistant General-Manager of the Company's Western lines; Mr. A. Price, General Superintendent of the Central Division; Mr. R. Marpole, General Executive Assistant for British Columbia; Mr. E. F. Busteed, General Superintendent of the Pacific Division; Mr. J. E. Schwitzer, Assistant Chief Engineer of Western lines. Mr. J. G. Taylor was also appointed Superintendent of Terminals at Fort William.

Position and Progress of the Canadian Northern Railway

Still incomplete in construction, with scattered lines and branches spread over half a continent; lacking, as a matter of course, something of the systematic operation and co-ordination of interests acquired by a system such as the C.P.R. in its wealth of years and experience; the Canadian Northern Railway had to face in 1907 all the natural difficulties of the older railways with various additional troubles incidental to its own period of growth. The public, which had so long clamoured for new lines and branches—for extension in any and every direction—and which had hailed the coming of the C.N.R. as a blessing, had no thought in this winter of storms but one of condemnation for every delay in transportation, or shortness in cars, or difficulty in management.

The progress of the enterprise as a whole had been one of remarkable rapidity. According to figures given by Mr. D. B. Hanna, 3rd Vice-President, in a speech before the Empire Club, Toronto, on Nov. 28th, the Canadian Northern Railway had, ten

years before, possessed 100 miles of railway in the West. The equipment then consisted of three engines and 80 cars, all told, a working staff of less than 20 men and a pay-roll during the year of less than $17,000 with an average revenue of under $50,000. It carried 25,700 tons of freight and 10,300 passengers. Ten years later, the Canadian Northern had 2,639 miles of track, an equipment of 190 locomotives, 137 passenger cars, 7,142 freight cars of all kinds, 10,000 employees, an annual pay-roll of $5,000,000, and gross receipts of ten million dollars a year. Its lines carried 1,800,000 tons of freight and 704,000 passengers. Over 150 new townsites had been opened up by the railroad, some 70,000 people had found homes along its route and one-third of the growth of Winnipeg was placed to its credit.

Such a result of the private enterprise of two men—William Mackenzie and D. D. Mann—had earned the appreciation of Canadians and, perhaps, deserved a little more consideration than it received from a section of the Western public in 1907. The difficulties of the Railway began with the storms of December, 1906, and grew worse with the great snowfall of Jan. 3rd—said to have been the heaviest in a quarter of a century. Trains were held up and almost buried; villages found themselves, as time passed on and a variety of storms and severe weather followed, in crying need of the railway connection which had suddenly ceased to operate; towns became short of fuel, and freight of all kinds was unavoidably stopped at different points along the line. Conditions were unquestionably worse than on the C. P. R. but they were also more difficult to overcome. The Regina Branch running to Prince Albert and recently acquired from the C.P.R. suffered badly and Regina's Board of Trade appealed to the Dominion Government on Jan. 29th for relief; the Liberals in the Manitoba Legislature, already opposed to the Government's policy of co-operation with the C. N. R., were free in denouncing the Railway service and in making the alleged break-down an issue in the ensuing elections; complaints were numerous as to the Wakopa branch, the Morris-Somerset line and villages in different parts of Manitoba; a blockade occurred on the Carberry-Brandon line; passenger trains were cut off so as to economize coal supplies and leave more available from the Company's stock to help the settlers along its lines; Davidson, Sask., on Feb. 4th appealed to the Regina Board of Trade and the Railway Commission for aid in a local fuel famine resulting from the tie-up of trains; Rosthern, Sask., also appealed to the Government.

The situation continued to be bad late into the season and the unique nature of the weather reflected itself in the service of a Railway which seems to have found lost ground impossible to make up. The Winnipeg *Telegram* of March 12; the Roland (Man.) Board of Trade on March 10; the authorities of Saska-

toon, Sask., on April 12; the Winnipeg *Tribune* and other papers; joined in criticizing the Company, while on Apr. 14 a train reached Edmonton which had left Winnipeg on Mar. 28! On Apr. 19th, however, a telegram reached the Toronto offices of the Railway declaring "all lines open in West—traffic resumed; weather still very cold. If no new storm strikes us congestion of traffic will soon be relieved." Speaking in this connection to the *Globe,* Mr. D. B. Hanna said: "It is at least twenty-five years since such a severe winter has been experienced in the West, and no railway has been able to successfully cope with the conditions although each road has done the best possible under the circumstances. The Canadian Northern had every reason to make a supreme effort to have traffic continued on their road and everything which money, skill and labour could do has been done to keep the roads open—though nature has beaten us for a brief period."

Some people seemed to think the Company had not done all that was possible to equip the West, but those views were not correct. The Company had paid for new rolling stock in 1906 no less than $3,750,000, and no more of such stock could be turned out of Canadian workshops. The Company had 163 engines west of Port Arthur, 6,000 freight cars, abundance of passenger cars, and, under normal winter conditions, could easily deal with all the traffic. Another thing which helped to overload the western railways was the extraordinary influx of settlers, commencing earlier this year than ever, and in numbers which no one by any amount of forethought could arrange for with such severe weather conditions as those of the present season. For 1907 the Company had placed orders for 120 new engines, 1,500 box cars, 200 stock cars, 200 dump cars, 200 flat cars, 50 steel ore cars, 25 cabooses, 4 snow ploughs, 20 refrigerator cars, 20 express and mail cars, about 80 passenger coaches. This equipment would cost $5,550,000, and every article was being made in Canada. In fact, Canadian firms engaged in this work, could accept no more orders for rolling stock of any kind to be delivered during 1907.

For a time the Company had been obliged to refuse Minnesota goods belonging to emigrants from that State; just as the Railways of Minnesota had found it necessary to refuse to allow their cars to run on to the Canadian Northern system owing to their own car shortage and blockaded traffic. To a Winnipeg Board of Trade Committee on Apr. 11, Mr. D. D. Mann summarized the cause of these troubles as an unexpectedly rapid growth of Western trade, the rush of immigration, the inability of manufacturers to supply motive power fast enough, and the weather. "This had been the severest winter the North-West had experienced in twenty-eight years, and it was impossible to give a regular service under such conditions. A great many of the Company's men in their efforts to keep the road open were confined to the hospital, and the Company had done everything possible to give the public a satisfactory service. In this effort it had been censured unduly by those who were not conversant with the true conditions that confronted the Company." At this time, also, in addition to other difficulties the C.P.R., having enough trouble

on its own hands, dumped settlers' effects at C.N.R. junctions, and this caused much local and individual irritation. On April 16th it was announced that the Railway Commission had asked the C.P.R., the G.T.R. and the I.C.R. to lend the Canadian Northern every possible assistance.

When the Canadian Northern application for Parliamentary charters for new Western lines came to be considered at Ottawa these conditions aroused much criticism and opposition. On Apr. 18th the Company's Bill asking power to construct nearly 1,000 miles of new branch lines in Alberta and Saskatchewan was discussed and keenly opposed by Western members such as D. W. Bole, G. E. McCraney, T. A. Burrows and John Crawford. The claim made was that increased construction should not precede but follow an improved equipment, while Mr. W. H. Moore, for the Company, told the Railway Committee that severe weather conditions was the chief cause of the trouble. In the end the question of extensions was dropped for the time being and those parts of the measure granting authority to increase the bond issue by $5,000 per mile in the West, for the purpose of general betterment, and confirming the establishment of joint terminals with the G.T.P. at Winnipeg, were approved.

Meantime the Canadian Northern Quebec Railway had been making progress. In the Railway Committee of the Commons on Jan. 29th Mr. W. H. Moore, for the Company, explained that the Canadian Northern system was divided into three parts. There was the Canadian Northern proper, which included that part of the system west of Lake Superior; the Canadian Northern of Ontario, now in process of construction; and the Canadian Northern of Quebec, composed of an amalgamation of the following Companies: the Great Northern, the Chateauguay and Northern, and the Quebec, New Brunswick and Nova Scotia. They were divided in this way for financial reasons. The Bill, as approved, provided for the issue of debenture stocks and the taking up of bonds of the different Companies in exchange for debenture stock of an equal amount of the Canadian Northern of Quebec.

On Feb. 26th the Railway Committee was asked to approve construction of branches of the C.N.R. in Ontario totalling 1,200 miles. The following were passed: From Washago to Lake Huron near Kincardine; from Arnprior to Gananoque; from Pembroke to Cobourg or Port Hope; from Pickering to Owen Sound; from a point east of Toronto, westerly through Toronto, Hamilton and London to a point on Detroit River near Windsor, with branches therefrom to St. Thomas, and to a point on St. Clair River near Sarnia, with branch or loop passing North Toronto; from a point in Niagara River, near International Bridge, north-westerly, passing through Hamilton to a point on Lake Huron, near Goderich; from a point on Lake Erie west of Port Colborne, through Brantford and Berlin to Georgian Bay; also branches from Washago to

Georgian Bay east of Collingwood, and from Montreal to County Leeds or Lanark and from Parry Sound to North Bay. In the autumn Parliament was again asked for charters to construct a line running from Humboldt to Calgary, a Brandon-Regina branch to Lethbridge, a North-Battleford branch to Athabasca Landing, a line from Regina to the United States frontier, one from Edmonton to the headwaters of the Brazeau River, and from Russell, Man., to Goose Lake, Sask., with other branches; together with various extensions in the time for constructing lines previously authorized; and authority to increase the capital stock of the Company by $19,250,000. The application was granted.

Complications came to the Company late in April by the strike at the Lethbridge coal mines, and at this period Mr. A. F. Dillinger, who had been recently appointed by the Railway Commission to investigate conditions in the West, reported that 11,000,000 bushels of grain were then awaiting shipment by the C.N.R. and 22,000,000 bushels by the C.P.R. On Apr. 23rd he addressed the Winnipeg Board of Trade at length and denounced existing conditions along the Canadian Northern with frank freedom of language. Inadequate equipment, caused by too extensive construction, was the text of his remarks. He concluded by saying that the weather conditions faced by this Railway in Alberta and Saskatchewan were far worse than anything the C.P.R. had to encounter. The principal breakdown had been on the Regina-Prince Albert branch line.

On Apr. 27 an elaborate statement as to traffic conditions was issued by Mr. D. D. Mann, of the C.N.R., in reply to certain representations by the Winnipeg Board of Trade. He gave the following details of equipment: "We have on all lines west of Port Arthur 167 locomotives out of which only 25 are now in the shops at different terminals for repairs, leaving 142 in active service. We have on hand at the present time 5,200 box cars, 1,471 flat cars, 160 stock cars, 54 refrigerator cars, 12 flanger cars, 8 snow ploughs, 99 day coaches, 51 baggage, mail and express cars, 14 sleeping cars, 6 tourist cars, 5 dining and café cars. Of the 6,885 freight cars above mentioned, 317 are being repaired and renewed." Particulars were given as to large orders for new rolling stock and reference made to new shops under construction costing $800,000. Mr. Mann added, in connection with certain Manitoba political charges, that the total equipment of the C.N.R.—including orders for immediate delivery—had cost $16,630,450, or more than the entire guarantee of the Provincial Government.

Under date of June 17th Mr. A. F. Dillinger presented to the Railway Commission a vigorous arraignment of the Canadian Northern service during the past year. In summarized form he declared that the Railway failed in furnishing adequate accommodation for its traffic at terminals and stations; failed in

supplying accommodation for carrying, delivering, and unloading such traffic; failed in the furnishing of necessary facilities and in conducting its operations without delay. The chief causes alleged were lack of motive power and equipment and the severity of the winter. The criticisms of this Report, which were offered, included the charge that it was a needless attack upon a still unfinished system which had, despite drawbacks, been an essential and undoubted boon to a myriad of Western settlers; that it made no allowance for the fact of the main line having so recently been taken over from contractors and suffering from inevitable newness and incompleteness; that Mr. Dillinger seemed to expect from a great undertaking still in the infancy of its organization all the complete and uninterrupted service of an old and thoroughly equipped system; that no credit was given the Company for its really great efforts at improving its facilities and adding to its rolling stock. In May normal conditions prevailed along the Line and manufacturers and contractors at Toronto, Kingston, Cobourg, Montreal, in Nova Scotia and at Philadelphia, U.S., were busy rushing to completion enormous orders for rolling stock. On July 22nd Mr. William Mackenzie gave the following statement to the press in Winnipeg:

> We are putting in additional round-house accommodation at Portage la Prairie and Dauphin. We are making quite large improvements at Dauphin. We are putting up freight sheds at Humboldt, Vermilion and Vegreville, and new stations at Dalmeny, Borden, Lashburn and Lamont. On the main line we are doing a lot of ballasting and making roadbed improvements of all kinds. We are erecting a new station and making yard improvements at Brandon. We are building the main line very rapidly between Brandon and Regina; we have sixty miles of track laid already. On the Prince Albert line we are putting up a new station, round-house, and shops, at Saskatoon, and re-arranging the yards there. We have our work pretty well advanced and are just finishing the new round-house and other facilities at Prince Albert. We are enlarging our freight-shed accommodation at Battleford and Edmonton. We are putting in station and round-house facilities at the junction for the Hudson's Bay line. On the Regina-Prince Albert line we are taking out the heavy grades of 1¼ and reducing them to six-tenths. We are doing a lot of work on the line between here and Port Arthur. We are replacing with a new station the one burned at Beaudette. I find the road better every time I pass over it. Gangs of men are engaged in doing ballasting, filling, etc. In Winnipeg, at Fort Rouge, the round-house is about completed and the shops are well under way.

By Oct. 20, out of 140 engines ordered early in the year, 81 had been delivered and out of 2,145 cars of all kinds only 160 remained to be delivered. At the annual meeting of the Company, held in Toronto on Oct. 16, the Report showed an equipment on June 30, 1907, made up of 190 locomotives as compared with 141 on June 30, 1906; passenger and miscellaneous cars numbering 411 as against 287 at the preceding date; and 6,868 freight cars as against 5,437. Despite all the difficulties of the year the gross and net earnings for the fiscal period dealt with showed a large increase. The passengers carried numbered 703,988 in

1906-7 as compared with 564,341 in 1905-6; the tons of freight carried were 1,822,220 as against 1,727,002; the gross earnings of passenger and freight traffic, per mile of railway, increased from $2,860.34 to $3,328.09, the operating expenses from $1,780.39 to $2,161.88 and the net earnings from $1,079.95 to $1,166.21. The expenses per traffic train mile increased from $1.22 to $1.44. The assets of the Company on June 30, 1907, included $77,540,324 as the cost of the Railway and equipment; mortgage bonds and capital stock of acquired and subsidiary interests totalling $2,991,703; deferred payments on land sales of $4,871,038; sums due from agents, Companies, etc., $1,431,356; cash on hand $4,032,403—a total of $90,866,825. The liabilities included a capital stock of $30,750,000, bonds of $25,652,983, 4 per cent. perpetual debenture stock $14,321,383, land grant-bonds and car trust obligations of $8,311,618, and a miscellaneous indebtedness of $2,375,198. Of the bonds £3,412,400 sterling were guaranteed as to principal and interest by the Government of Manitoba and £1,923,287 by the Government of Canada. The gross earnings from passenger traffic for the year 1906-7 were $1,464,256, from freight traffic $5,741,729, from express, mail, telegraph and other sources $1,144,212—a total of $8,350,198. The working expenses, including taxes, were $5,424,163, the net earnings $2,926,034, the fixed charges $1,882,489 and the surplus for the year $1,043,545. The gross earnings showed an increase of 41·44 per cent. and the net earnings of 31·27 per cent. The working expenses were 73·48 per cent. of the gross earnings as compared with 66·49 per cent. in 1905-6. The comparative progress of the Railway may be seen from the following table:

Year July 1 to June 30	Average Miles Operated.	Earnings.	Expenses.	Net Earnings.
1902-03	1,276	$2,449,579 33	$1,589,293 47	$ 860,285 86
1903-04	1,349	3,242,702 69	2,120,772 43	1,121,930 26
1904-05	1,586	4,190,211 96	2,644,729 64	1,545,482 32
1905-06	2,064	5,903,755 61	3,674,732 85	2,229,022 76
1906-07	2,509	8,350,198 08	5,424,163 65	2,926,034 43

In addressing the annual meeting Mr. William Mackenzie, the President, stated that " the large increase in working expenses is due to the unprecedented character of the winter and the greater cost of labour and materials. The winter was the severest ever known in Western Canada in persistence of low temperature, depth of snow, and duration into the spring season. In the months of December, January, February and March the Operating Department was obliged to devote itself to keeping communications open; this made it impossible for the traffic to earn expenses. During all the years in which your Company has been in operation no such winter has been met with and it is but reasonable to expect that a repetition of it will not occur for many years

to come. These difficulties of operation were not singular to your Railway but were common to all lines in the North-western States as well as Western Canada." Reference was also made to the development of new regions in the West necessitating large expenditures on structural and mechanical improvements; the growth of business and purchase of new rolling stock; the fact that 1,828,251 acres of the Company's lands still remained unsold and constituted a very substantial asset; the increasing immigration to the West and the recent visit of a large party of British journalists to that country; the enhanced value of the Company's terminals at Winnipeg, Port Arthur, Edmonton, etc., by at least $3,000,000; the establishment of blast furnaces at Port Arthur, their production of first class pig-iron from the Atikokan mines and the promised development of other rich mining properties in that great region of iron ranges; the splendid coal docks and improved equipment of the Company's terminals at Port Arthur; the establishment by the Canadian Northern Ontario Railway of direct water connection between Toronto and other points, *via* Parry Sound, with Port Arthur and the West. The capitalization per mile of this Railway in 1907 was only $31,500.

The location of the C.N.R. on June 30, 1907, included 353 miles in Ontario, 1,427 miles in Manitoba, 600 miles in Saskatchewan, 214 miles in Alberta and 43 miles in the State of Minnesota. In Toronto the Canadian Northern created much local interest by joining with the C.P.R. and G.T.R. in seeking a Lakeside route into the City. After considerable discussion it was stated that this particular Railway would seek an entrance by another route than the one which was so much opposed by residents and property owners and come in by the Don and Highland Creek ravines. In Ottawa the announced coming of the Canadian Northern from Montreal, through Hawkesbury on its way to Toronto, was the object of local controversy—also over the matter of entrance. In connection with the proposed and varied extensions of the Railway throughout Ontario the St. Catharines Board of Trade on Mar. 8th adopted the following Resolution: "It is very desirable that this System should be extended eastward and into the cities and towns of the Province of Ontario in order that the manufacturers and merchants of the Province may more fully participate in the benefits of the trade with Western Canada; in the opinion of this Board the Governments of the Dominion of Canada and the Province of Ontario should grant general assistance to the Company in the construction of its line from Port Arthur, easterly, through those districts which are not so thickly populated and through which the line must necessarily be, so far as local traffic is concerned, a colonization road."

Other incidents of the year in Ontario were the arrangement for carrying C.N.R. freight, between Parry Sound and Port Arthur, made with the Parry Sound Transportation Company;

a reduction in general rates to Muskoka as a result of conference between the three great railways; the continued grant of a subsidy to the Canadian Northern Ontario Railway from Toronto to Sudbury (265 miles) and to the Canadian Northern Quebec Railway from St. Philippe to Brownsburg (4·2 miles); the request made to the Toronto civic authorities for a grant of land in the vicinity of Ashbridge's Bay, to the east of the City, as a site for a smelting plant with a proposed daily capacity of 1,400 tons and employing, ultimately, 15,000 men; the difficulty experienced by the Canadian Northern in getting its route between Montreal and Toronto settled owing to local differences at Smith's Falls, Perth and Ottawa; the starting of the great blast furnaces belonging to the Company at Port Arthur, and involving expenditures of over $1,000,000, on July 17; the request for aid from the Ontario Government in the building of a line between Sudbury and Port Arthur and under conditions, no doubt, similar to the guarantee of bonds already given the Railway from Toronto to Sudbury.

In Nova Scotia, the new Mackenzie and Mann line, running along the south shore between Yarmouth and Halifax, was brought into complete operation by June 15, when passenger trains were running along the 248 miles of its system. In New Brunswick Messrs. Mackenzie and Mann proposed to the Provincial Government in March the construction of a railway down the Valley of the St. John to Westfield if their bonds were guaranteed to the extent of $15,000 a mile. Approved by the Legislature the project was hailed as being a part of the future transcontinental line of which St. John, it was hoped, would thus become the Atlantic terminus. In Quebec the same Company acquired early in the year the Quebec and Lake St. John Railway, catering to the interests of one of the most fertile and beautiful regions in that Province, including 227 miles of railway, and running from Quebec to Roberval. On May 10 the new Board was constituted with Mr. D. B. Hanna as President and Messrs. Gaspard Lemoine, of Quebec, and Z. A. Lash, K.C., of Toronto, as Vice-Presidents, while Mr. J. G. Scott, the former General-Manager, was continued in his post. The other Directors included F. C. Annesley, W. H. Moore and F. Nicholls, of Toronto; J. T. Ross, Senator Jules Tessier, E. Beaudet and Mayor J. G. Garneau, of Quebec; Judge J. A. Gagne, of Chicoutimi, and Senator P. A. Choquette and G. Tanguay, M.P.P., representing the Quebec Government.

Incidents in the far West included a reduction in rates on trains running north of Regina to Prince Albert and the terminal agreement at Winnipeg with the Grand Trunk Pacific. In this latter arrangement the terminals included the station, hotel, freight sheds, warehouses, engine houses, etc. The Canadian Northern was to have equal rights in all the facilities and the management was placed in the hands of a Board consisting of

one representative each from the G.T.P. and the C.N.R., and this Board would appoint a terminal manager. The Canadian Northern was to construct the terminals and supply the tracks and equipment, and work was to commence within two months of the ratification of the agreement by Parliament and be finished three years later. For the right of using the terminals the Government and the G.T.P. would between them pay 4 per cent. a year on the property valuation and 4½ per cent. on the cost of construction. Announcement was made as to the re-building of the much-troubled Regina and Prince Albert branch; construction work was done upon the line between Regina and Brandon, and on Dec. 1st the first passenger train started from Brandon on this route; terms were settled between the Saskatchewan Government and the Canadian Northern for the construction of a joint traffic and railway bridge over the Saskatchewan River at Prince Albert; in December new and lower freight rates between Winnipeg and Edmonton were announced; and wherever the rates were higher than 3 cents they were reduced according to the new regulations of the Railway Commission. At the end of April Mr. E. A. James, who for five years had acted as General-Manager of the C.N.R., was given a leave of absence which amounted to retirement, as his contract lapsed in June; Mr. D. B. Hanna, 3rd Vice-President, acted for a time in the position and did much to evolve better conditions in the West; and, in the middle of the year, the position was finally filled by the selection of Mr. M. H. MacLeod, an expert engineer and railway man. At the end of the year Mr. C. W. Spencer, General-Manager on lines east of Fort William, resigned, and was succeeded, so far as the Maritime Provinces were concerned, by Mr. W. B. Barclay.

Discussion of the Hudson's Bay Railway Project

The various projected lines to Hudson's Bay—of which the most discussed have been those of the Canadian Northern and the Temiskaming Railways—did not make very material progress during 1907; except in the important sense of being recognized by both the Dominion Government and Parliament as a work of desirability and necessity. Three official expeditions—1885, 1897 and 1903—had been sent out to investigate this route to the sea; to test the accessibility of the Straits and Bay, and to ascertain the period during which navigation was practicable. The last expedition, under command of Mr. A. P. Low, established the important fact of two open currents always flowing in the Straits; one along the north shore, in and westward, bearing the ice-drift of Greenland, so that ships entering could go with the ice-drive; one along the south shore, outward, bearing the raft-ice of Hudson's Bay, so that the ships going to sea could also go with the ice-drift. In both cases, therefore, it was found that the ships could navigate the strait with the ice-drift, not against it.

Other evidences of Government and popular consideration had been given. When the Western Lands Act of 1884 was passed

special provision was made for a possible land grant in aid of a projected railway to the Bay; some years later 40 miles of road were actually constructed out from Winnipeg, though at that stage the attempt was abandoned; in 1894 the Canadian Northern began the construction of its Hudson's Bay line from Gladstone, Man., in a north-westerly direction to the Provincial boundary and thence to Prince Albert—with a branch line from Erwood, Sask., toward Fort Churchill on the Bay—and by 1906 construction was completed to the Saskatchewan River, or to about 450 miles from Fort Churchill. Then, owing to some complications as to land grants, construction ceased. By 1907 a number of other railways, or promoters of railways, held charters for roads ending at Hudson's Bay, while the Temiskaming and Northern Ontario had that objective point avowedly in view; and, on Jan. 29, Parliament approved incorporation for the Saskatchewan Valley and Hudson's Bay Railway, which was projected to run from Edmonton to the Bay.

It was claimed by its advocates that 1,000 miles in transportation and much time in handling goods could be saved by the adoption and completion of this route as against the St. Lawrence route. As to the region itself Mr. J. A. Osborne, of the Fort Frances *Times,* told the Winnipeg press on Jan. 24th that he had just returned from a visit to the Bay and that "the country will furnish a good deal of wealth to the Dominion. The fisheries have never been exploited. The Bay is teeming with cod, salmon, whitefish and speckled trout, while there is no doubt that the surrounding country is filled with great mineral possibilities. The southern and eastern portions of James Bay are heavily timbered with pulp-wood which must be very valuable in a few years. As a game preserve, too, James Bay is a sportsman's paradise, it being the breeding ground of all sorts of wild fowl, such as ducks and geese, which throng its marshes in thousands." On Feb. 6th a debate was started upon this subject in the Senate at Ottawa by Hon. D. Ferguson who urged the opening up of the route and resources of Hudson's Bay as the most important project then before the country. In the Commons, on Feb. 22nd, Mr. W. E. Knowles brought up the subject in connection with the great need of the West for better transportation facilities. The building of a Hudson's Bay line, he contended, was urgently needed, was eminently feasible and was now a National question. Messrs. Thomas Greenway, R. S. Lake, G. E. McCraney and E. L. Cash —all Western members—strongly supported the project, as did Hon. G. E. Foster. The latter described an open commercial route through the Bay, during at least 4 months, as perfectly feasible. Sir Wilfrid Laurier dealt briefly with the existing congestion of traffic in the West, referred to the standing provision in the Statutes of a subsidy offer of 12,000 acres of land per mile along the route of such a railway, and then added: "If the subsidy, the aid which has been offered, has not been sufficient to pro-

cure the construction of the railway, I agree, for my part, that the time has come when we should make a new effort and provide some other means of building it. I agree altogether with what has been said by my Hon. friend from North Toronto (Mr. Foster) that the time has come for the construction of this railway, and I may say to my Hon. friend who has brought this question to the attention of the House (Mr. Knowles) and to the members of the House, especially of my friends from the North-West Territories, who are particularly interested in this matter, that at this very moment the subject is engaging the attention of the Government."

The Senate again discussed the matter on March 13. Mr. J. A. Lougheed, the Conservative Leader, thought the Government should build and own the Railway from the Saskatchewan River to Hudson's Bay and give free running rights in respect of freight to all other roads. Docks, wharves, etc., should be built at Churchill and administered by a Commission representative of the Dominion and Provincial Governments. If the Federal authorities would not bear all the cost of constructing the line the Western Provinces would and should help. He estimated the cost at $8,000,000 and that of equipping Churchill at another $8,000,000. Senator Ferguson, in dealing with the matter again, pointed out that the future development of the great Peace River country as a wheat producer would depend upon a Hudson's Bay outlet for its product. Senators T. O. Davis and M. Sullivan in preceding speeches had warmly supported the project which was opposed in some points, and as to immediate construction, by Senators L. G. Power, H. J. Cloran and one or two others. On March 14th Mr. Oliver, Minister of the Interior, made the following announcement in the Commons:

> The Government is fully convinced of the propriety of giving the Northwest an additional railway outlet by way of Hudson's Bay at the earliest possible date. The Government believes that with the increase in production of the West, now in progress, such an additional outlet will be urgently needed as soon as a railway can be built, even if it were commenced at once. At the same time it realizes that public opinion throughout Canada could scarcely be expected at the moment, in view of the great obligations already incurred in connection with railway enterprises, to sanction the additional obligation that would be incurred by providing immediately for the construction of a railway to Hudson's Bay, unless special provision were made to meet that obligation. It believes, however, there will be no objection from any quarter if the funds accruing from the disposal of pre-emptions in the three Prairie Provinces under the terms of the proposed Land Bill shall be considered as a provision in place of the land grant stated in the Act to meet the burden upon the credit of the Dominion as a whole, that must be assumed at an early date—if not immediately—if a railway is to be in operation to Hudson's Bay in time to meet the urgent need that is now in plain sight for an additional and shorter railway route from the prairies to tidewater.

On April 16 a Special Standing Committee of the Senate reported through its Chairman (Mr. T. O. Davis) as to the present condition of the problem and especially as to the resources of the

great region surrounding Hudson's Bay. Its recommendations were as follows: "That an effort should be made to settle as early as practicable the disputed boundary between Canada and Newfoundland on the eastern coast of Labrador; that the construction of a railway connecting existing railways with Fort Churchill, on Hudson's Bay, would open up a large tract of land well fitted for settlement, as well as afford an additional outlet for the products of the West, and where settlements are now being made; that, in order the more thoroughly to determine the resources of the cultivable land of this district and its forest and mineral wealth, exploring parties be appointed composed of men qualified to report as to the geological formations, the quality of soil and its natural productiveness, the extent and value of the timber lands, and the navigability of the various watercourses which intersect this district." During the year the Ontario Government announced, in connection with the proposed carrying of the Temiskaming Railway, from its coming connection with the National Transcontinental route, to Hudson's Bay (about 400 miles) that this would be no doubt the ultimate end of the Railway, but that the matter had not yet been practically considered. It was understood, however, that something depended upon the co-operation of the Dominion Government in granting the usual subsidy to this proposed extension—doubtful because of the Temiskaming being a line owned and constructed by a Province. In June Miss Agnes C. Laut, the Canadian historical novelist of Western life, contributed an optimistic review of the whole project to the American *Review of Reviews,* and, in August, Mr. L. J. Burpee, of Ottawa, wrote an article in the London journal, *Canada,* which gave official figures of distances *via* this and other routes.

In September the Dominion Government published an elaborate Report upon the whole subject by Mr. J. A. J. McKenna. It was stated therein that a 70-year record kept by Hudson's Bay Company officials at Churchill showed an average open harbour period of five months; that splendid building stone, an ample supply of timber for fuel, excellent pasture and hay meadows, a climate fitted for vegetables and the raising of cattle and horses, freshwater lakes and fisheries and abundant salt-water fishes and whales, marked the vicinity of Churchill. By the construction of a railway the saving in transportation over the Montreal route would average 967 miles for the three Western Provinces, the exact figures being as follows:

From	To Montreal. Miles.	To Churchill. Miles.	Difference. Miles.
Winnipeg	1,422	945	477
Brandon	1,555	940	615
Regina	1,780	774	1,006
Medicine Hat	2,080	1,076	1,006
Calgary	2,262	1,256	1,006
Prince Albert	1,958	717	1,241
Battleford	1,994	876	1,118
Saskatoon	1,924	806	1,118
Edmonton	2,247	1,129	1,118

One of the strong opponents and critics of the project was Senator J. P. B. Casgrain. He declared this Report (Montreal *Herald,* Sept. 24) to be altogether too glowing, pointed out the admitted difficulties and uncertainties of navigating the Straits, and frankly argued that Canada's first duty in subsidies, etc., was now nearer home—the opening up, for instance, of Counties like Charlevoix, and Gaspé, Joliette and Berthier. In the *University Magazine* for October Professor R. W. Ellis had a notably pessimistic article upon the subject with the following conclusion: "That the much-talked-of Hudson's Bay Railway, if built immediately, cannot hope to prove a financial success. Owing to the keen competition of the all-water route by the Great Lakes, it will not be able to handle the Manitoba grain or general produce. What traffic it might hope to obtain is at present so small and the time of navigation so short, that to make the road pay, if built immediately, seems impossible."

Discussion of Great Northern Railway Projects

Although Mr. J. J. Hill's hand passed formally from the lever of Great Northern affairs during the year and his son assumed control in his place, yet his active brain continued, more or less, to cope with the developments of the day. In Canada much less was heard of his projects than in the preceding year; probably much more was actually accomplished. On Jan. 15th Mr. Hill wrote the Governor of Minnesota a letter which reviewed railway conditions in the United States and which was of interest to those north of the border who were suffering from not dissimilar conditions. He stated that: "The business of the United States is to-day so congested that from every portion of the country arises clamour for relief. The railroads everywhere are taxed beyond their power. The people of the United States are, therefore, face to face with the greatest business problem that has ever threatened the nation. During recent years the volume of business has increased, and is increasing, with extraordinary rapidity; while the necessary additional trackage and terminals have not been equal to the demands upon them—the resulting situation being a freight blockade of enormous proportion, especially at all terminal points." As a cure for existing conditions, he declared that $5,500,000,000 would have to be expended in the next five years in terminals, facilities, and equipment. The struggle of the Great Northern in the States bordering upon Canada's West was, it may be added, just as heavy and distressing in this 1907 season as was that of the Canadian roads.

On April 2nd Mr. Hill retired from the Presidency of the Great Northern, took the position of Chairman of the Board of Directors and was succeeded by Mr. L. W. Hill as President with Mr. F. H. McGuigan, of Montreal (for a few months) as 1st Vice-President. The new chief of the Railway told a Winnipeg interviewer on April 9th that: "The Great Northern system is

endeavouring to secure mammoth terminals in Chicago, Minneapolis and Winnipeg. We have already secured all the land necessary for handling business for years to come in Portland and Seattle. If our Canadian plans do not miscarry, I expect within the next ten years, to have a railroad system there which will be almost an equivalent of the Great Northern system as it is to-day in the United States. The Great Northern will then touch Winnipeg, Brandon, Regina, Calgary, Edmonton, probably Prince Albert, and may traverse the Peace River country with a line several hundred miles further north than any Canadian line." It was also stated in the press at this time that $10,000,000 was the amount allotted for current expenditure in Canada and that 3,000 miles of railway would be built by the Great Northern in that country during the next five years. As to the financial position of this United States road it may be said that its gross earnings in 1900 were $31,099,054, while in 1906 they had risen to $53,076,661; and that its net earnings were, respectively, $14,023,520 and $24,400,562. There were many rumours during the year as to alleged rivalry between the Hill interests and those of the Canadian Pacific, but nothing accurate or reliable can be sifted from the mass. They were largely caused by the C.P.R.'s Soo-Spokane International Limited coming into competition with the Hill railways in its proposed extension to the Pacific Coast. It was also alleged that Mr. Hill had obtained a controlling interest in the Crow's Nest Pass Coal Company, but this was stated by Mr. G. G. S. Lindsey, the General-Manager to be a quite unnecessary and unlikely action as Mr. J. J. Hill and the Toronto and Montreal interests concerned were all working together in perfect harmony.* Meanwhile survey parties were out in many directions, negotiations were going on under various names with Provincial Governments, and construction work was quietly and steadily proceeding.

Canadian Canals, Waterways and Harbours

The total expenditure charged to capital account on the original construction and subsequent enlargement of Canadian Canals up to March 31, 1907, was $91,734,718. To this must be added $24,495,624 expended upon repairs, renewals, maintenance and operation. The total revenue received from the canals, including rental of lands and water-powers, was $13,618,586. For the nine months of the newly-commenced fiscal year (Mar. 31) the total expenditure was $1,835,061; the revenue collected $105,003; and the total traffic through the canals of Canada for the season of 1906 was 10,523,185 tons or an increase of 1,151,441 tons over the previous year. Through the Sault Ste. Marie Canal the total was 6,574,039 tons as against 5,473,406 tons in 1905. Had there been tolls on the total traffic the receipts would have been $360,673. Of the

* Note—Developments early in 1908 indicated, however, that this control was really acquired by Mr. Hill.

general freight moved 1,201,967 tons went down the Welland Canal, and of this quantity 740,488 tons were agricultural products. Of the through freight of 1,190,780 tons Canadian vessels carried 607,778 tons and United States vessels 583,002 tons—a considerable increase in the former case and a decrease in the latter. On the St. Lawrence Canals 1,637,017 tons of freight were moved, and of this 624,706 tons were agricultural products, 595,566 tons were merchandise, 451,414 tons were made up of coal, and 271,324 tons were of forest products. On the Ottawa River 397,415 tons of freight were moved; on the Chambly Canal 498,939 tons; on the Rideau Canal 82,159 tons; on St. Peter's Canal 76,327 tons; on the Murray Canal 27,727 tons; on the Trent Valley Canal 28,495 tons.

Through the Sault Canal there rolled 34,388,478 bushels of wheat, 16,702,861 bushels of other grain, 2,439,513 barrels of flour, 2,947,616 tons of iron-ore, 1,238,011 tons of coal, and 33,352,198 feet B.M. of lumber. The total traffic at this point—including the United States Canal—reached the enormous figure of 51,754,331 tons. In connection with the question of canal *versus* railway transport of grain from the West, it was noted by Mr. M. J. Butler, Deputy Minister of Railways and Canals, in his annual Report, that whereas grain and peas passed down to Montreal through the Welland and St. Lawrence Canals to the extent of 404,935 tons, or an increase of 63,504 tons compared with the previous year, the quantity carried to Montreal *via* the Canadian Pacific and Grand Trunk Railways amounted to 386,963 tons, or a decrease of 238,586 tons. The total number of registered vessels using the canals was 879 and there were in addition 810 passages by unregistered craft. The total value of registered vessels was $94,532,500. American vessels carried 95 per cent. and Canadian vessels 5 per cent. of the total freight; these proportions being the same as in the previous year. Of the 879 vessels in commission 767 were American, valued at $88,392,000 and aggregating 1,425,837 registered tons capacity, and 112 Canadian, valued at $6,140,500 and aggregating 76,920 registered tons capacity. The Canadian vessels, compared with the previous year, showed an increase of 15 in number, $711,500 in value, and 8,564 in tonnage. The through lake, river, and canal route from Port Arthur to Montreal was open as a 14-foot navigation, and comprised 73 miles of canal with 48 locks, and 1,150 miles of lake and river. In 1906-7 the extensive improvements at Port Colborne were continued and included a deepening of the Welland Canal approaches to 22 feet, the construction of two docks, with piers 200 feet wide, and the erection of grain elevators. Similar deepening work at Sault Ste. Marie to 31 feet approached completion. For full details of Canal traffic and conditions the special annual Report of Mr. J. Lambert Payne, Comptroller of the Department of Railways and Canals, should be consulted. A few of his figures, however, may be summarized:

Particulars.	1906.
Total freight passing (up and down)—	
From Canadian to Canadian ports	3,594,784 tons.
From Canadian to United States ports	852,013 "
From United States to United States ports	4,586,764 "
From United States to Canadian ports	1,479,624 "
Increase in freight traffic (up and down) between 1887 and 1906	7,802,669 "
Percentage increase in 20 years	287 per cent
Total United States tonnage using Canadian canals	5,685,315 tons.
Total Canadian tonnage	5,625,321 "

During the year 1907 the old question of water *versus* railway routes was revived by the congestion of traffic and the agitation for the Georgian Bay Canal. Speaking in Kansas City on Oct. 25th the Hon. R. F. Sutherland, Speaker of the Canadian Commons, referred to the 14-foot channel completed in 1901 from the Upper Lakes to tide-water. The task, he declared, was not nearly done. " People now alive may live to see the minimum depth made 21 feet, and when that date arrives Montreal and Quebec, Halifax and St. John, and perhaps some quiet harbour that is as yet only dreamed of, will be the busiest ports of the North American continent. Of this great highway Canada holds the door. It is a great asset and more than anything else gives Canada a dominating position on this continent. This will be more manifest in the future than it has been in the past." On Jan. 9th the Grain Exchange of Winnipeg had passed a Resolution referring to the coming importance of the Georgian Bay project, the necessity of improved water carriage for the shipment of grain and regulation of rates, and urging that, in the meantime, " the work of improving and enlarging the Welland Canal should be undertaken by the Dominion Government without further delay."

An important project nearing completion in this year was the Trent Canal. Upon this series of water stretches between Lakes Ontario and Huron much effort and money had been expended to make a waterway suitable for the transport of grain. By March 31st the total expenditure had reached $5,120,555 and its completion by the route finally decided upon from Rice Lake to Lake Ontario was estimated at $3,997,482. On Feb. 27th efforts at immediate completion of the Canal were announced and the long-standing dispute between Port Hope and Trenton as to which should be the outlet of the waterway was decided in favour of the latter—Mr. E. J. Walsh, Engineer-in-charge, reporting to the Department as follows: " After a careful consideration of all the circumstances and the resulting consequences, I am of opinion that the interests of the country will be the best served by the adoption of the Trenton outlet, the ' all-river route,' with eight feet four inches on the sills of the lock gates; as such depth of water will enormously reduce the cost of transportation and may be had for $455,565 over and above the cost of a six-foot navigation." Acting on this report the Minister of Railways and Canals recommended that authority be given for the adoption of the all-

river route with a depth of eight feet four inches, and the Government concurred in this recommendation. In his Report Mr. Walsh had also given much data as to the two routes and concluded that "the chief importance of the Canal should be in its utility in facilitating the enormously-increasing export and import trade between the Canadian West and Europe. It is, therefore, apparent that Montreal will be the great *entrepot* for the Canal in Eastern Canada, and, therefore, the sheltered route *via* Trent River and the Bay of Quinte should have the preference." In respect, also, of water-power privileges the Trenton route was declared the best. On July 6th, in presence of an immense crowd, the mammoth lift-lock of this Canal system at Kirkfield was formally opened. The ceremony was performed by Hon. R. Lemieux, Minister of Labour, who in an eloquent speech dealt with the history of the waterway since the first efforts of the Imperial Government in 1837 down to the present time. There were now, he said, 160 miles of 6-foot navigation completed with 14 locks. Colonel S. Hughes, M.P., and Hon. G. A. Cox also spoke.

Questions connected with the improvement of Montreal harbour facilities were prominent during the year. The new Board of Harbour Commissioners took up the reins of power in January and promised an active and useful administration of affairs. Composed of Messrs. G. W. Stephens, M.P.P. (Chairman), L. E. Geoffrion and C. C. Ballantyne, who were all successful business men, it faced the problems ahead with some degree of confidence. In his address before the Shipping Federation on Feb. 13 President H. A. Allan put that situation briefly: "The trade of the St. Lawrence has grown enormously and consequently the vessels on the route have improved in speed, size, economy and comfort. In other words, the owners have done their part to meet the trade, and it now rests with those in authority to provide the facilities necessary for the proper handling of freight seeking this route. The question of accommodation has become acute and if the Port of Montreal, with all its natural advantages, is to be developed, it must be placed on a par with the United States ports." On March 2nd the Commissioners brought together all the great interests concerned in the harbour and port to discuss plans of co-operation and development. In his address Major Stephens described their policy as follows:

> To equip and complete what we have with the best that money can buy; to cheapen the handling of our business. To bring together by means of an elevated track system the eastern and western divisions of our harbour; to bind into one harmonious whole the entire water frontage of Canada's national port, thereby doubling her space capacity; to add six new ocean berths in the centre of the harbour and make it possible to handle her railway freight day and night without fear of congestion or blocking the ground-floor approaches to the piers and sheds; to classify her freight so as to cut into two the handling charges of the port whereby new trade can be invited, our present trade despatched without loss of time, and our position as a national port made impregnable

against the competition of our rivals. We propose, therefore, at the earliest possible moment, to lay before the Minister a request to sanction the borrowing of sufficient money to enable us to map out the permanent works of this Harbour for the next ten years, so that we may double, or, if necessary, triplicate the capacity of the port to handle its share of national trade.

Mr. Brodeur, Minister of Marine and Fisheries, was present and expressed great sympathy with these aims. He declared that the Western grain trade should go entirely over Canadian routes and by Canadian ports. The money needed to develop and improve the Harbour would be found. Upon another point in the work Major Stephens dwelt at a meeting of the local Canadian Club on April 15. "Our first duty," he said, "was to undertake the re-organization of the Harbour staff and a redistribution of the responsibilities. We were convinced that the business people of Montreal would back us up if we made it distinctly understood that in the arrangement and management of the Harbour political patronage was to be absolutely put to one side." Loud applause greeted this remark and his ensuing explanation of conditions. Three days later the House of Commons debated Mr. Fielding's Resolution empowering a loan of $3,000,000 to the Harbour Commissioners at Montreal for completing its terminal facilities and for general improvements. The Loan was for 25 years at 3 per cent. The Finance Minister explained that the policy of the Government for many years had been to grant aid to the Harbour Commissioners at Montreal for the important work which they had in charge in the form of loans. Beginning in 1896 a loan was made of two millions at 3½ per cent., in 1898 two millions at three per cent., in 1903 three millions at three per cent., and in 1906 $250,000 at three per cent. There had thus been authorized loans amounting to $7,250,000. The Commissioners had now large works in hand, and would require further money for the completion of the works at present being constructed, and for works which would be required in the future. On all sums that had been loaned, he added, interest had been promptly paid. Mr. H. Gervais thought that $10,000,000 would be nearer the mark of Montreal's requirements than the sum suggested and described the local docks, etc., as worth $30,000,000. In July it was stated that special efforts were being made to widen and deepen the channel between Montreal and Quebec and that a fleet of eight modern dredges was at work, with 400 men, under the direction of the Department of Marine.

As to other ports and harbours Mr. Fisher, Acting-Minister of Public Works, received a Toronto delegation on Feb. 15 composed of Mayor Coatsworth, Mr. R. C. Steele, President of the Board of Trade, and others. It was claimed that Toronto was the only safe harbour for 180 miles along the north shore of Lake Ontario; that the City had become the clearing house for the manufactures and produce of Southern Ontario; that immense

quantities of supplies were shipped from Toronto to the North-West; that Toronto contributed largely to the revenues of the country; that at present the soundings of the channel at the western entrance to the Harbour ran from 9 feet 6 inches to 16 feet; and that it was quite impossible for heavily-laden vessels to pass through. What was asked for was an appropriation which would permit of the deepening of the entrance to 20 or at least a uniform depth of 18 feet. In his reply Mr. Fisher pointed out that Government efforts in the past had been mainly directed to the eastern entrance; that, however, a detailed report upon the western entrance was now being prepared; that he understood the expense involved would be very great in the making of what was practically a new channel; and that, of course, no decision had yet been arrived at.

In the Commons on Jan. 16 Mr. W. H. Bennett, in moving that the Report and proposals of the Transportation Commission* be at once taken up by Parliament and the Government, expressed regret that so much grain was still sent through Buffalo, when it might be transported through Canadian points. He strongly urged the claims of Midland as a national port, and said the water-front of that port should be obtained by the Government so as to enable the three railway companies to run in there. Midland, he argued, would have 15 hours' advantage over Buffalo. Encouragement in the provision of more elevators was also urged, the contention being that it was the excellent storage capacity at Buffalo which caused so much grain to be sent there. The question of improvements in the Harbour of St. John, N.B., was pressed upon public attention during the year. On Feb. 18 a large deputation, composed of Messrs. J. H. McRobbie, President, and W. E. Foster, Vice-President, of the Board of Trade, the Mayor and a Civic delegation, Hon. H. A. McKeown, K.C., Mr. A. O. Skinner, and others, waited upon the Government at Ottawa. They asked for dredging work in connection with the wharf under construction; they wanted the Harbour channel properly dredged; they urged the propriety of the C.P.R. Empress Liners coming direct to St. John if any change was made in the Allan turbiners' contract as to Halifax.

The deputation were well received, and on Feb. 22nd Mr. Emmerson, Minister of Railways, met a gathering of leading citizens in St. John and told them that part, at least, of their requests would be at once carried out. He suggested the formation of a local Harbour Commission of three keen business men to deal with the whole subject. A number of Senators and Members of the Commons visited St. John on Mar. 31st and, after an inspection of the Harbour, the speeches of Senator Watson and Mr. T. A. Burrows seemed to indicate a belief in improved facilities for the port. On Sept. 4th a meeting was held in St. John at

* See *Canadian Annual Review* for 1906 for full details.

which Mr. Pugsley, the new Minister of Railways, was present, and it was decided to recommend the appointment of a Commission of three which should control the Harbour improvements, and be empowered to borrow from the Federal Government such moneys as it would lend pending the development of a larger and more comprehensive scheme of nationalization of the Port. Speaking to the St. John Board of Trade on Oct. 1 Mr. Pugsley gave a wider range to the necessity for local improvement : "It is a deplorable fact that sixty per cent. of wheat production in the Canadian Northwest finds its way through the United States ports of Buffalo, Boston, New York and Baltimore. This ought not to be, and the question is how to prevent it? Elevator accommodation at Buffalo is said to account for much of its trade. The wheat can be stored there and held till the rush or low prices have passed. The solution would be found in the thorough equipment of the Atlantic ports of St. John, Halifax, Quebec and Montreal."

These were not by any means all the requirements of Canadian ports and harbours. To describe them all at length would require a volume. The following Resolution passed by a large gathering of New Westminster citizens, and people of the district, described a demand from the Pacific Coast: "Whereas oceanwise traffic *via* British Columbia ports has grown rapidly recently and will increase largely in the immediate future so as to demand all the sea-port accommodation available, especially in connection with transcontinental railway lines; and whereas the City of New Westminster offers the possibility of a splendid fresh water sea-port with the best of connections, provided that the Fraser River from New Westminster to its mouth be deepened sufficiently at all points and adequate depth of water maintained; resolved that the Dominion Government is urgently requested to take immediate steps to provide and maintain a channel from New Westminster to the mouth of the Fraser River having a depth of not less than 25 feet at low water and to this end to construct another dredge, if necessary, and expend a sufficient sum on dams and permanent works required to protect and maintain such channel." Of a different character was the development of C.P.R. policy at Fort William in the construction of a million dollar dock; the work of the C.N.R. at Port Arthur along similar lines; the creation of Key Harbour as a port for the outlet of the Canadian Northern mines at Moose Mountain; the projected creation of Prince Rupert as a great Pacific sea-port.

In the House of Commons on Mar. 7th a renewed effort was made by Mr. H. J. Logan on behalf of Canadian ports and Canadian shipping in his motion that after May, 1908, the British Preference should apply only to goods entering Canada by Canadian ports. He pointed out that 66·21 per cent. of Canadian imports were subject to the Preferential tariff and that out of $46,800,000 worth of goods coming from Great Britain over

$13,000,000 came *via* United States ports with about $7,000,000 from other British countries. His statement of the advantages to be gained by this policy may be briefly summarized: (1) It would intensify a thoroughly national Canadian policy, and be a declaration of our independence of the United States; it would encourage steamship lines between Canada and Great Britain and Canada and other parts of the Empire; (3) it would build up Canadian sea-ports on both coasts and so benefit the whole of Canada; (4) it would lessen the east-bound ocean and rail freight rates by giving more west-bound traffic; (5) it would hasten the advent of the fast Atlantic service; (6) it would give more business to Canadian railways, especially the Intercolonial; (7) it would remove from the mind of the British exporter the idea that in winter Canada is dependent on American sea-ports. Mr. A. E. Kemp argued against the policy on the ground of the amount of trade involved being comparatively small; the possibility of causing United States retaliation; the fact of freight rates being lower from Liverpool to New York than from Liverpool to Halifax on account of the greater competition; the fact that sentimental feelings were now guiding the routing of Canadian freight to Canadian ports and that this was being helped by the difficulty of adjusting disputes at United States ports; that nothing should be done to hamper our growing carrying trade for the Western States over Canadian routes. In the end Sir Wilfrid Laurier accepted the principle of the Resolution but amended the time of action so as to leave it optional with the Government, while hinting at the completion of the Grand Trunk Pacific in 1911 as a suitable date.

Progress of the Georgian Bay Canal Project

More and more clearly did the proposals affecting this great project come before the eyes of the public in 1907. Gradually, like the Hudson's Bay Railway idea, it took hold of the people's imagination and came to be classed amongst the practicable probabilities of the future. The discussion took all kinds of forms. To the Canadian Club, Montreal, on Feb. 4th, Mr. H. K. Wickstead, C.E., declared that "the building of the Georgian Bay Canal would not only bring to Montreal and Quebec the shipping trade of the Canadian West and the Western States but would also produce sufficient electric energy to pay interest on its estimated cost of $100,000,000." As the shortest and cheapest route from the Western prairies to the sea; as likely to build up the manufacturing industries of the Ottawa valley; as promising to bring United States commerce in great quantities through the lower St. Lawrence waterway; he urged the national adoption of this scheme. An argument used by Mr. Robert Reford, of the Transportation Commission, was that the use of the Georgian Bay route would permit of a two-cent grain rate from Lake Superior ports to Montreal and thus save to the pockets of Canadian farmers a large percentage of the present cost of carriage.

Speaking to the Canadian Club, London, on April 2, Mr. F. D. Monk, M.P., claimed that " the building of the Georgian Bay Canal would create two branches of new trade which would be of great benefit to Canada as a whole; a direct trade with Europe by vessels that would carry their cargoes straight through, without breaking bulk, to Lake Superior ports and sail for Europe with direct cargoes without transhipment; and with the Maritime Provinces a somewhat similar trade, those Provinces sending to the West cargoes of coal, steel, iron, fish, oil and other products, and receiving in return grain, flour, cattle, etc." Meanwhile Government engineers were at work studying and surveying the route from Georgian Bay to Montreal, and the Secretary of State (Mr. Scott) told the Senate on April 8th that their Report would not reach Parliament during the Session. It must be remembered, in this connection, that the so-called Canal project was really a sort of ship waterway, or system of inland navigation, with from 36 to 40 miles of canal, about 4 miles of locks (37 in number) and 21 feet of water on the mitre sills. As to distances the following table was compiled by the organ of the Canadian Manufacturers Association in May, 1907:

From	To	Route.	
Chicago	New York	Lake and Rail *via* Buffalo	1,389 miles
Chicago	Montreal	Lake and Rail *via* Canadian routes	906 "
Chicago	Montreal	*Via* Georgian Bay route	905 "
Fort William	Montreal	*Via* Georgian Bay route	882 "
Fort William	Montreal	*Via* St. Lawrence route	1,296 "
Duluth	Montreal	*Via* Georgian Bay route	997 "

As to rates it was contended that by the Georgian Bay route from Duluth (U.S.) to Montreal it would cost 2·62 cents a bushel while from Fort William to New York *via* Buffalo it was at present 6·71 cents. On May 12th it was announced that the survey work was nearing completion, together with a detailed report as to the cost and character of the whole scheme. The entire 400 miles of the proposed waterway had been mapped out and examined and nearly $600,000 expended in the inquiry. In authoritative terms the Toronto *Globe* correspondent at Ottawa on the above date intimated that the main features of the forthcoming Report were the matter of cost and the engineering character of the project. Upon the first point the correspondent stated that " the total expenditure required to complete a continuous waterway from Georgian Bay to Montreal *via* the French River, Lake Nipissing and the Ottawa River, giving a navigable depth throughout of twenty-one feet, will be close to $105,000,000." As to the other point the entire feasibility of the project was affirmed. Reference was also made to another subject. " The control of the waters of the Ottawa as outlined above will result in increasing wonderfully the value of the water-powers now available. It is estimated that with the completion of the Canal there will be 5,000,000 horsepower available along its course—almost as much as is available

at Niagara. That fact points to the probability of the Ottawa Valley, rich as it is in iron ores and timber resources, becoming one of the greatest manufacturing centres of the continent."

During June Mr. R. W. Perks, M.P., a British financier of most enterprising and experienced character, was in Canada representing the interests which held a charter for the construction of the Waterway and the right of borrowing money for the project up to $100,000,000. He was optimistic as to the raising of the necessary capital, though the method would have to be carefully developed; the work would be completed in 45 years. Estimates of construction and plans were all now prepared, he told the press on June 19th, and in the hands of the Government. As to himself he was going over the entire route so as to estimate its traffic possibilities. "I am quite satisfied," he continued, "that the construction of the Canal is a commercial necessity to Canada. In the first place, by providing a continuous waterway with 22 feet of depth in the locks for vessels passing on the Great Lakes direct to Montreal and to American ports, Canada would possess a waterway which would render her absolutely independent of the comparatively shallow route through the Welland Canal. Ocean-going ships of from 8,000 to 10,000 tons burden would then be in a position to carry grain direct from Lake Superior *via* the Canal to European ports, and that without break of bulk anywhere en route." It may be added as a matter of record that this "New Dominion Syndicate" represented by Mr. Perks was originally promoted by Mr. George Grove Blackwell of Liverpool and London commercial interests, who had with him on the Board of Directors the late Sir Edward Thornton, Mr. E. T. Read, Mr. Francis Durant and, latterly, Mr. Perks. According to a statement in the Ottawa *Free Press,* of August 15, Mr. Perks returned from his survey of the projected route with most optimistic impressions. After referring to the 50,000,000 tons of traffic coming through the Sault Canals he went on:

> Practically the whole of this gigantic traffic seeks the Atlantic seaboard, and as our route will be the cheapest, coolest and quickest, effecting as it will a saving of 72 hours' time and 500 miles in distance each way, besides being by far the most convenient; as it will preclude the necessity of transhipment and costly handling; humanly speaking there is no reason why we should not attract a large portion of this enormous traffic to ourselves; nor, indeed can there now be any doubt on this subject when you consider how much you will save in time, trouble and expense. According to statistics the Georgian Bay Canal, when completed, on 750,000,000 bushels of wheat, will, as a regulator of freights, save Western farmers alone the sum of $15,000,000 per annum, to say nothing of the colossal savings to merchants, miners, manufacturers, shippers, and lumbermen, whilst for interest on $100,000,000 bonds at 4 per cent. we would require only $4,000,000. This does not strike one as an impossible profit to earn, having regard to the magnitude of the business to be done which is now admitted and appreciated by all the leading commercial, financial, shipping and railway men in Europe as well as in America.

Of course, there was an opposing line of thought in connection with the project. The further deepening of the Welland Canal was a proposal which had many supporters; the building up of the St. Lawrence waterway had cost Canada many millions and many more were needed; some publicists were disposed to think the two interests were antagonistic; Western writers and newspapers wanted attention first and foremost to be given the Hudson's Bay outlet for their grain; Toronto feared that the route by Montreal and Ottawa would side-track its commerce and isolate it permanently from the sea. In this latter connection there had been a spasmodic advocacy of the construction of a Canal *via* Lake Simcoe to Lake Ontario by way of Toronto. Rivalry in the matter between these two centres was, however, a matter of the future and, meantime, the growing requirements of the country seemed to indicate that even the great railway building of the period was not sufficient. These objections did not, therefore, seriously hamper the movement at this stage. In Germany $150,000,000 had been appropriated in this year for the improvement of its canals; in New York State $101,000,000 was voted by the people for the enlargement of the Erie Canal; and the United States Government was said to have other projects in hand affecting the great inland rivers which would involve another $200,000,000 of expenditure. It may be added that in his annual Report, published in 1907, Mr. M. J. Butler, Deputy Minister of Railways and Canals, recommended the appointment of a Commission to study the economic problems involved in this project and in the enlargement of the Welland Canal, while Mr. A. S. Laurent, the Engineer of the Public Works Department in this connection, presented a number of suggestions for the consideration of such a body in regard to the industrial, commercial and national aspects of the undertaking.* In his speech at Kirkfield, on July 6th, Mr. Lemieux, Postmaster-General, used the following optimistic language:

> I do not doubt that those who are now middle-aged men may live to see the day when the steamers of Liverpool will take their cargoes straight from Port Arthur and Fort William to Liverpool and Glasgow. When the Erie Canal was first opened by the Americans Thomas Jefferson declared that the project was a hundred years ahead of the time. Yet within ten years it became necessary to commence enlargements on a vast scale and now a hundred years later the United States Government has granted for the enlargement and deepening of the Canal from 7 to 12 feet over $100,000,000, almost the very sum estimated as the cost of the great Georgian Bay scheme which would practically cut in two the great distances between the lakes and the sea, and would make Canadian shipping supreme on the Great Lakes. Well, let us work for it. Canada's supremacy on the Great Lakes is as the very lifeblood to her, and is surely an ambition worthy of our best energies. The development of our Canal system will help to counterbalance the increasing cost of living.

---

* Note—Report of the Minister of Public Works (March 31, 1907). Pages 277-9.

Canadian Shipping and Steamship Lines

The latest official figures of Canadian merchant shipping which have been made public are those for the year ending Dec. 31, 1906. At that date the total number of sailing vessels, steamers, and barges on the register books of the Dominion was 7,512 of 654,179 tons—an increase of 187 vessels and decrease of 15,646 tons register over 1905. The number of steamers was 2,810 with a gross tonnage of 375,263 tons. Assuming the average of this shipping to be $30 per ton the total value at the date mentioned was $19,625,370. The number of new vessels built and registered in the Dominion during 1906 was 397 of 21,741 tons register. At a valuation of $45 per ton the total would be $978,345 for the year. The tonnage of new vessels built in 1876 was 130,901; in 1886, 32,207; in 1896, 16,146; in 1906, as already stated, 21,741. The following table shows the geographical condition and declension of the Canadian shipping interest:

Province.	1876.	1886.	1896.	1906.
New Brunswick	324,513	269,224	115,506	44,471
Nova Scotia	529,252	526,921	317,526	187,328
Ontario	123,947	140,929	146,522	180,340
Prince Edward Island	50,692	30,658	16,540	10,761
British Columbia	3,809	11,900	26,622	77,746
Manitoba	178	5,578	7,934	8,341
Quebec	228,592	232,656	158,649	143,340

In the past year or two, however, Canada has held its own in the shipment of wheat and grain and in the increased tonnage passing over its Canals. During the season of navigation in 1905 Canadian vessels carried 29,763,910 bushels of wheat from Fort William and Port Arthur, at the head of Lake Superior, to various ports in Canada and the United States as compared with 11,218,882 bushels in United States vessels. In the 1906 season the respective figures were 31,978,334 bushels and 12,398,004 bushels. Taking the crop year and the total figures of all grains shipped from the two ports just mentioned by all kinds of vessels the figures in recent years were as follows: 1889-1900, 16,086,582 bushels; 1900-01, 5,791,222 bushels; 1901-02, 27,793,200 bushels; 1902-03, 40,036,223 bushels; 1903-04, 28,897,667 bushels; 1904-05, 28,444,645 bushels; 1905-06, 54,438,527 bushels; 1906-07, 64,314,134 bushels. Of the vessels in this trade during the season (from April 7 to Dec. 12) of 1906, there were 48 American with a capacity of 9,336,000 bushels and 56 Canadian with a capacity of 4,757,000 bushels.

Particulars of sea-going and general shipping may be briefly summarized. The sea-going and coasting vessels which arrived at and departed from Canadian ports in the 12 months ending June 30, 1905, numbered 220,703 with a tonnage of 76,655,081; in 1906 they numbered 229,062 with a tonnage of 81,086,234; in the nine months' fiscal year ending March 31, 1907, the figures were, respectively, 170,400 and 62,287,311. Of this tonnage in the last-mentioned period 48,374,390 was British and 13,912,921

Foreign—chiefly United States. During the same 9 months the vessels included a steam tonnage of 52,898,972 and a sailing tonnage of 9,388,339. The sea-going vessels which entered and cleared from Canadian ports in the fiscal year 1905 had a tonnage of 15,588,455; in 1906 of 16,843,429; and in the nine months ending March 31, 1907, 13,904,874. The total tonnage of vessels engaged in the coasting trade of Canada and which arrived at or departed from Canadian ports in the fiscal year 1905 was 44,377,-261 register; in 1906 it was 46,324,062 register; in the next nine months it was 31,691,420 register.

Meanwhile, the steamship interests of Canada had been steadily growing stronger and more prosperous. On Oct. 15th the Montreal *Herald* calculated that the steamers running out of Montreal to Great Britain alone would measure two miles in length during the coming season; placed the tonnage of all vessels out of that port in the summer season at about 200,000; and described the number of up-to-date ocean liners calling there as 25. The great project of an "all-red" line was, of course, a political and problematical issue of the year rather than one of performance, but some of the developments in the C.P.R. and other lines were distinct signs of progress. The former was estimated to have increased its traffic by 33 per cent. and to have carried 104,000 passengers on its Atlantic Line. It was also announced on March 13 that the Canadian Pacific would probably build two new steamers for its Atlantic service which would replace the *Empress of Ireland* and *Empress of Britain;* these being transferred to the China and Japan Line and two others being released either for extra service to the Orient or for the Australia and New Zealand route conducted by the Union Steamship Company of New Zealand. In the annual Report for the fiscal year 1907 Sir T. G. Shaughnessy made the following reference to steamship projects of the moment:

> Two steamers are being constructed at a cost of $900,000 to supplement your fleet plying between Georgian Bay ports and the head of Lake Superior, and it is desirable that another high-class steamship should be provided as soon as possible for the route between Vancouver, Victoria and Seattle, of which the approximate cost will be $600,000. A resolution authorizing the issue and sale of securities to meet these expenditures will be submitted for your approval. The subsidy that is now being paid to your Company for the carriage of the mails between Liverpool and Hong-Kong will expire in April of next year, and it is not improbable that a faster and more frequent service will be made a condition of its continuance. In view of this fact your Directors recommend that they be authorized to arrange for the acquisition or construction of two steamships to meet the requirements of your Pacific trade, or to build two larger and faster boats for the Atlantic service and transfer the *Empress of Britain* and *Empress of Ireland* to the route between Vancouver and Hong-Kong.

The two boats for the Lakes crossed the Atlantic under their own steam and were duly placed in commission as the *Keewatin* and

Assiniboia and added to the fleet of three vessels already operating for the C.P.R. on the Great Lakes. They were each 348 feet in length with a 3,600-ton register and a first-class passenger accommodation of 250. The new contract between the C.P.R. and the British Government for the conveyance of mails between Liverpool and Hong-Kong as published in March provided for a journey from port to port of 708 hours in summer and 732 hours in winter. The arrangement was announced as a temporary one and contrary in principle to the policy of the Liberal Administration. In July a new steamer, the *Princess Royal,* built by the British Columbia Marine Railway Co. of Esquimalt, started in the C.P.R. service between Victoria and Skagway, Alaska. Its length was 227 feet and gross tonnage 1,996. On July 18th the R.M.S. *Empress of Britain* completed what was said to be the fastest mail passage ever run between European and American ports—five days, 3 hours from Liverpool to Rimouski. A much-discussed subject in the City of Quebec was the threatened withdrawal of the Empress Liners to Three Rivers if the longshoremen and others persisted in their effort to run wages up to a point far above the rates payable elsewhere. The C.P.R. steamships experienced two unfortunate accidents during the year—the *Charmer* and the *Tartar* meeting in collision on the Victoria and Vancouver route on Oct. 17 with serious damage but no loss of lives; and the *Mount Temple,* from Antwerp to St. John, with some 600 immigrants on board, being wrecked in a blinding snowstorm on Dec. 1 off Iron-bound Island, near the coast of Nova Scotia. In connection with the C.P.R. lines and the "all-red" proposals Sir T. G. Shaughnessy issued a statement on Dec. 7th in which he said:

> We put on the two *Empresses* and they are now paying boats. We saw the need and we met it. But the difference between the *Empresses* from the point of view of cost, of expense, of handling, and a type which would give the highest possible speed, is simply enormous, and, in my opinion, would not be justified from the commercial point of view, which is the chief consideration with a Company like the C.P.R. I don't say that the necessary limit of speed has been absolutely reached. On the contrary, the C.P.R., either of its own motive or in co-operation, might be disposed to provide boats of a faster type than those now running on the St. Lawrence route, but with the distinct understanding that such must proceed to Liverpool or some other English port. Nor need this idea absolutely exclude the possibility of an arrangement by which there might be landing of the mails in Ireland; but the present proposal makes either St. John or Halifax the all-year-round ports and ignores the St. Lawrence route. The St. Lawrence route has been a great attraction for travellers, and I would consider its loss, its neglect, almost in the light of a national calamity.

Early in the year much discussion took place in St. John regarding the regulations under which the C. P. R. mail steamers were compelled to continue calling at Halifax in winter while the Allan Line turbiners were allowed to omit St. John as a port of call. The matter seemed to turn upon wharf accommodation and,

after some controversy between the City and Company and Government, the route was resumed. During the year the Allan Line of steamers added two new vessels to its fleet of 30 steamers aggregating 175,000 tons. They were of the twin-screw type—the *Corsican* of 11,000 tons and the *Grampian* of 10,000 tons. The former was for the Liverpool and the latter for the Glasgow service. During 1906 the Allan Line carried 98,000 passengers and in 1907 the number was increased to 124,000. The Richelieu and Ontario Navigation Company had a good year's business in 1906; the gross earnings being $1,366,299, the net earnings or profits $281,040 and the fleet numbering 26 vessels with another steamer building. The capital of the Company was $3,133,000 and its bonds $323,146. For 1907 the profits were estimated in November at $300,000. A disaster of the year in this connection was the burning of the steamer *Picton* at Toronto on Sept. 21st with the loss of two lives. The Dominion Line had a passenger traffic in 1906 of 29,891 and in 1907 of 56,707—according to figures compiled by the Montreal *Gazette* of Dec. 7th. The Robert Reford Co., controlling the Donaldson, Thomson and other Lines, showed a decrease in tonnage but an increase of 105 per cent. in westbound cabin passenger traffic and 110 per cent. in the third class; with 51 per cent. increase in eastbound cabin business and 153 per cent. on third class. The net tonnage employed by the Furness, Withy Co., Ltd., agents of the Manchester Liners, was 45,196 with 18 vessels and an average passenger traffic. The Elder-Dempster Company with its Cuban-Mexico service, its South African service, and other steamers, had a total of 25 steam vessels during the year and a tonnage of 59,296. The total passenger traffic across the Atlantic in 1907 by Canadian Lines was estimated by the Montreal *Star* at 300,000 as compared with 210,000 in 1906. In a few years Canadian sailings and traffic had risen from a very small percentage of the Atlantic business to 10 per cent. The number of steamships employed from the Port of Montreal in 1907 was 740 with a tonnage of 1,924,475. The Government steamship subsidies for the 9 months ending March 31, 1907, totalled $1,128,876 as compared with about the same amount for the previous twelve months. The votes and revotes at the Session of 1907 included the following:

Ocean and mail service between Great Britain and Canada....	$550,000
Line between St. John, Dublin and Belfast	32,000
Line from St. John and Halifax to West Indies and South America	64,560
Direct steam communication between Canada and South Africa..	128,966
Steam service between British Columbia ports and Skagway.....	10,000
Steam service between Canada and Australia	144,407
Steam communication between P.E.I. and the Mainland	10,000
Steamboat service between Canada and Mexico	80,000
Steam service from Atlantic ports to Liverpool	16,000
Steamboat service between Canada and New Zealand	40,000
To promote steam communication between Canada and Newfoundland	16,000

There was considerable discussion on the Pacific coast during the year as to expected expansion in steam communication with Australasia and the East. Late in 1906 the New Zealand Parliament passed a Resolution along the following lines: "That this House empowers the Government to establish a tri-weekly mail service between the port of Vancouver and a port in New Zealand subject to the conditions—(*a*) that the contract shall be for a term of three years; (*b*) that the payment shall not exceed $97,330 per annum; (*c*) that the service shall be performed by vessels of not less than 6,000 tons, having first-class passenger accommodation, and fitted with all modern improvements and also refrigerating chambers and chilled chambers for fruit and dairy produce; (*d*) that the time shall not exceed eighteen days between Vancouver and a New Zealand port, the selection of which is to be at the contractor's option." A little later the old-time contract with a San Francisco Line for the carriage of mails was transferred to the Union Steamship Company which had been running between Vancouver to Brisbane, Queensland. It was announced that this route would be changed to Auckland, Fiji and Sydney and new steamers put on if the Canadian Government renewed its subsidies in July. This was done for a period of two years from July 31, 1907. Meanwhile the Australian Mail Syndicate had undertaken to commence in 1908 a service of eleven steamers between Vancouver, Australia and New Zealand which it was promised would divert passengers and mails from the San Francisco route. A deposit of $125,000 was made with the British authorities and it was stated that the Australian Government had promised $100,000 subsidy and that a like New Zealand subsidy would be forthcoming. In the Commons at Ottawa (Jan. 15, 1908) Sir Wilfrid Laurier stated that Canada had paid for the Australian Service since 1893 the sum of $1,932,746. Arrangements were consummated during the year for the operation of a steamship line running between Vancouver, Victoria and Mexican ports. The Canadian Mexican Steamship Co. was organized and capitalized by Messrs. Harris and Dixon, an English concern owning some 21 steamers in various parts of the world. Captain T. H. Worsnop was appointed the General-Manager.

Telegraph Services and the Marconi System

The Canadian Telegraph lines controlled by the Dominion Government on March 31, 1907, totalled 6,829¼ miles in length with 380½ miles of cable, 382 offices and 104,187 messages sent during the fiscal year of nine months. They were located chiefly in Nova Scotia, Quebec, Saskatchewan and Alberta, British Columbia and the Yukon. The official expenditures in 1906-7 were $366,227 and the revenue $91,061. Of the corporations controlling Telegraph services statistics were as follows for the year 1906: Great North-Western Telegraph Company, 11,775 miles

of line and 1,369 offices; the Canadian Pacific Telegraph Company, 10,294 miles of line and 1,150 offices; the Western Union Telegraph Company, 2,638 miles of line and 219 offices.

The success of the marvellous Marconi system of wireless telegraphy was apparently established in 1907. On Jan. 23, 1901, Mr. Marconi had opened wireless communication between St. Catharines, on the Isle of Wight, and the Lizard, in Cornwall, a distance of 183 miles; on Dec. 12 the first clear and intelligible signals were flashed across the Atlantic to Poldhu, a station near St. John's, Newfoundland; in 1902, under Italian auspices, the inventor tried various successful experiments from the warship *Carlo Alberto* and received messages by land and water at distances varying from 1,000 to 1,400 miles; on Oct. 20, 1902, Mr. Marconi sailed from Plymouth for Sydney, N.S., in the same ship—lent him by the King of Italy—and received many messages throughout the voyage; from Glace Bay, Cape Breton, on Dec. 16, the first newspaper Marconigram across the Atlantic was transmitted to the London *Times* by Dr. G. R. Parkin, its special correspondent; early in January, 1903, international messages were exchanged from the Cape Cod Station, Massachusetts; early in July, 1907, messages were continuously despatched from Glace Bay to Poldhu, Cornwall, and back again, and commercial business at low rates was promised for October of this year. Some hitch unfortunately occurred, however, and the opening for commercial purposes was postponed.

Meanwhile, about 30 stations had been established in various parts of Canada and under Government supervision for purposes of shipping, coast protection, etc. This series of wireless stations, operated for the Canadian Government along the shipping track within the Dominion's sphere of influence, were located at Cape Race, Sable Island, Halifax (Camperdown), Cape Sable and St. John, for the use of liners which plied the winter mail route with the Maritime Province terminals; Cape Ray, Glace Bay, Cape Bear (P.E.I.) and Heath Point, which were of chief utility during the months of May, June and July, when Cabot Strait is the favourite waterway; Belle Isle, Point Amour, Point Riche and Whittle Rocks, which absorb nearly all the traffic from August till November; and Fame Point, Father Point, Grosse Isle and Quebec, which are operated during the whole period when the St. Lawrence is free from ice. This cordon of wireless stations is stated to have proved of the greatest service to the shipping of Canada and also to liners and war craft which have been crossing the Banks of Newfoundland and the waters adjacent thereto. The whole of the series of installations, except those at Belle Isle, Point Amour, Cape Bear, Grosse Isle and Quebec, were what is known as "high power," and possessed an effective range of from 250 to 400 miles—the maximum range of the smallest or

"low power" installations being but 150 to 200 miles, varying with weather conditions.

The Marconi Wireless Telegraph Company was first incorporated in 1897 and five years later was established in Canada with Mr. J. D. Oppe as General-Manager. This concern in Canada has an authorized capital of $5,000,000; in the United States it has an authorized capital of $6,650,000 with a par value of $100 a share and a majority of the stock held by Marconi's Wireless Telegraph Company, Limited, of London, England. The fundamental difficulties of the new system, such as want of certainty in transmission, want of secrecy and possible confusion of messages, were discussed from time to time, but the inventor continued his work of improvement and paid little attention to either criticism or complaint. The Company in Canada, however, alleged a grievance against the Government in connection with the regulations approved by Parliament in 1905 and which brought wireless telegraphy directly under Government control. Under this law all wireless companies before proceeding to establish or operate wireless stations were compelled to apply for a license. The terms, conditions and restrictions of such licenses were to be prescribed by the Minister of Marine and Fisheries with the approval of the Government. Anticipating adhesion on the part of Great Britain to the Berlin Conference of 1903 on this subject the Department of Marine and Fisheries prepared a license setting forth the terms, conditions and restrictions under which wireless telegraphy would be authorized. Clause five of this license read as follows: "Subject to the provisions of this license, the licensee shall transmit and receive messages by means of the licensed apparatus to and from any other stations or to and from any ship, without regard to the particular system of wireless telegraphy installed in such other stations or such other ship, on equal terms, without favour or preference, whether as regards rates of charge, order of transmission or otherwise."

To these conditions the Marconi Company strenuously objected and refused to accept licenses for the C.P.R. steamers on the Pacific Coast. They also objected to the independent installation of Government stations and claimed under existing arrangements to have a practical Canadian monopoly. A situation of some hostility therefore arose between the Department of Marine and Fisheries, represented by Mr. Templeman, Acting-Minister during part of 1907, and the Marconi Company. The Minister issued an elaborate statement in this connection on August 6 denying that there was any monopoly in the service for the Company, asserting the right and intention of the Government to operate its own stations, reiterating the right to license ships as well as stations on the Canadian coasts, and criticizing the Company for refusing to communicate with other systems. The Government press approved

the Government's policy and the Toronto *Globe* of August 8th stated the situation as follows:

> The conflict between the Companies operating the various systems would, if neglected, result in a pooling of interests under a strong corporation. The Government will be able, through prompt and effective action, to direct the course of development toward a system publicly owned and operated. The Government must establish and maintain life-saving stations. Wireless telegraphy is essential to their efficiency. It is also essential for naval purposes. Experience has already shown that for commercial reasons also such natural monopolies should be under public control, and the Government has made the right move at the right time, and will be able to safeguard the public interest while fairly and fully recognizing every private right and meeting every private claim.

On the other hand, the Company maintained that in July, 1906, they had made a formal offer to the Government recognizing the proposed international regulations for communication as laid down in the protocols of the Berlin Conference and accepted by the British Government; undertaking in their construction work to use Canadian machinery, material and labour as far as possible. They disclaimed any desire for monopoly or exclusive license and charged the Government with hasty and arbitrary conduct; with breaking the contract of 1902 and disregarding the Company's patents; with suddenly purchasing their required apparatus in the United States; with " a despotic policy of confiscation " of private rights and with " malicious " statements as to the Company and its works.

III.—CANADIAN AGRICULTURE DURING 1907

General Agricultural Conditions in Canada

Exceptional weather conditions in 1907 caused a slight set-back to the bounding production of immediately preceding years; they could not prove more than a slight and temporary check upon the development of resources which in themselves were boundless. Even as it was increased prices made up to the farmer much of what he lost in decreased production. During 1906 the growth of wheat in Ontario and the West had been exceptional and, according to the Director of the Dominion Experimental Farms, the average production in Ontario was 22·50 bushels per acre of winter wheat and 18·92 bushels of spring wheat; in Manitoba the average yield was 18·45 bushels and in the other two Western Provinces 19·13 bushels. As a matter of comparison the production of Great Britain averaged 30·45 bushels per acre, the United States 13·43 bushels, the Argentine 14·76 bushels, and Russia in Europe 9·05 bushels. In this general connection an interesting statement was made by United States Consul J. H. Worman, of Three Rivers, Quebec, in an official return: "There is no question that the largest percentage of the amount at present on deposit in Canadian banks (some $700,000,000) is controlled by the agricultural community. This vast amount is in addition to the large sums on deposit with trust and loan companies and in farm mortgages, for it is well-known that in recent years the aggregate of farm mortgages, in Ontario and Quebec particularly, has been decreased. The farmers to-day, as a class, are not borrowers, but lenders."

There were three prominent features of a general character in connection with agriculture in Canada during the year. One was the continued and important aid given to development by the Dominion and other Governments; another was the accumulation of fresh knowledge regarding almost unknown regions to the north and west; and a third was, of course, the question of actual production. Under the administration of Hon. S. A. Fisher, Minister of Agriculture, who has had the good fortune to be continuously in office since 1896, much had been done to encourage the science and practice of agriculture and the development of production in Canada. This Department is divided into eleven branches—Patents, Trade-Marks and Copyright, Census and Statistics, Public Health, Experimental Farms, Health of Animals, Exhibitions, Archives, Seed Commission, Dairy Commission, and Live Stock Commission. Each branch has a separate head,

directly responsible to the Minister, with Mr. G. F. O'Halloran as Deputy Minister in charge since 1902. Notable points of progress have been the work of Mr. J. W. Robertson in various directions and especially in the evolution of what may be termed agricultural education—backed by the money and organized aid of Sir W. C. Macdonald; the extension of markets for farm products, the improvement of dairying methods, the organization of model cool-curing rooms, the provision of cold-storage facilities. In this latter connection the Report of the Committee on Agriculture for 1906-7 showed $4,885,094 cubic feet of cold storage space in the steamships of the Allan, Canadian Pacific, Dominion, Donaldson, Manchester and Thomson Lines with 240 sailings during 1906. Four of these Lines—the Allan, Canadian Pacific, Dominion and Thomson—also had 4,119,304 cubic feet of cooled-air service in steamers with 82 sailings during that year. In July, 1907, the Census branch of the Department undertook a much and long-needed task in the collection of current agricultural statistics of various Provinces—Quebec, New Brunswick, Nova Scotia and Prince Edward Island—which had as yet no official Bureaus for the purpose.

Other evidences of progress were found in the improvement and enforcement of the Fruit Marks Act; the guarding and inspection of export trade in cattle, better facilities in the Quarantine service and in the inspection of live stock in the West and of animals imported from the United States; the testing and distribution of seed grain and the forming, revision, and enforcement, of the Seed Grain Act; the improvement in the methods and practice of the Public Health Branch; the development of most useful work in the Archives under the skilled management of Dr. A. G. Doughty, C.M.G.; and the widely-spread operations of the Experimental Farms branch, organized in 1886, with the Central Farm at Ottawa under Dr. William Saunders, C.M.G., as Director. Another of these Farms was established at Nappan, N.S., with Robert Robertson as Superintendent; one at Brandon, Man., with James Murray, B.S.A., as Superintendent; a third at Indian Head, Sask., in charge of Angus McKay; another at Aggasiz, B.C., with T. A. Sharpe as Superintendent. During 1907 two new Farms were established—one near Lethbridge in charge of W. H. Fairfield and another at Lacombe, Alta., with G. H. Hutton, B.A., as Superintendent. Addressing the Royal Society at Ottawa, on May 14, Dr. William Saunders summed up part of the work of his Branch as follows:

> Reports, bulletins and advice have kept the farmers in touch with science. The theories of rotation, seeding and irrigation; the qualities of soils, the best growing crops for certain districts, and matters of interest and profit, have been explained thoroughly with results eminently satisfactory to all. In many places wheat and apples and grasses have ripened two weeks earlier than under the old system—the outcome of judicious crossing. Chemical, botanical and entomological researches

have put the farmer in the best possible position to advance his own interests and the interests of Canada. More experimental stations have been erected in Alberta, the Peace River district and in the Yukon and the time is coming when every locality will have a station for its own needs and information.

Of extensions in the agricultural area of Canada it may be said the process during 1907 was slow but sure. Through increasing knowledge and growing immigration the basis of much future development was being laid. As Mr. P. H. McKenzie, M.P., in his Report as Chairman of the Select Committee on Agriculture said (April 24): "The evidence upon the growing of wheat demonstrates a steadily increasing area, year by year, brought under cultivation with highly satisfactory results to the cultivators, both as to acreage, yield and the quality of the wheat produced. Each succeeding year reveals new fields in the great West, hitherto thought not to be adapted to wheat production. One remarkable instance of this occurs in the case of saline soils that for many years were deemed useless for the raising of wheat, now by application of tillage found to produce splendid wheat both as to quality and quantity. . . . Another extension of the wheat-growing area of the West is found in the higher northern latitudes now demonstrated to be capable of growing wheat more profitably than was hitherto thought possible." Dr. Thompson, M.P., produced before this Committee a sample of excellent hard wheat grown at 63 degrees north latitude in the Valley of the Yukon—this sample being from a third crop in succession grown upon the same farm. Mr. Macoun (the well-known naturalist) stated in evidence that wheat could be grown at 61 degrees north latitude and added the further interesting fact: "That whenever any production comes near its northern limit it produces more and its progeny seems to have greater strength.

Up along the Peace River and Yukon trail, far into the unknown wilderness of the Territories of Mackenzie, Keewatin, Ungava and Franklin with their 2,000,000 square miles, around the shores of Hudson's Bay, up and down the banks of the great Mackenzie River; travellers and explorers found the possibilities of wheat-growing and mining and fishing; economic resources of every kind and description; forests of spruce, great areas of pulpwood, beds of iron-bearing ore, fisheries of unlimited proportions, including everything from whales to whitefish; natural gas wells and immense petroleum probabilities. At Fort Providence, in a latitude 100 miles north of the northern boundary of British Columbia and 550 miles north of Edmonton, Mr. E. Stewart, a Dominion Government official, after sailing 1,300 miles up the Mackenzie River, with its basin area of 451,000 square mies, saw wheat in milk on July 15, the grain having been sown on May 20, and harvested in excellent condition on July 28; he also saw potatoes in blossom, peas fit for use, tomatoes, turnips, rhubarb,

beets, cabbages, onions and other vegetables, all in good condition. Strawberries were ripe, and raspberries, gooseberries and currants were coming along well. Up into this region also went Ernest Thompson-Seton, during the summer of 1907, with the mission of a naturalist, a writer and an explorer. In United States magazines writers such as Miss Agnes C. Laut, Cy Warman, Ernest Hough and Agnes Deans Cameron exploited the growing greatness of the farthest West.

Little need be said here as to the weather conditions of 1907. The stormy violence of the winter, the unusual lateness and coldness of the spring, the rainy and dull summer, the cold and unpleasant autumn, had the expected effect in a crop shrinkage in Canada, as well as in other countries and also a natural effect in the constant crop of rumours and guesses and estimates of every kind during the year. The statement of the world's production of wheat published annually at Budapest gave a total of $3,205,550,000 bushels for 1907 as against 3,407,400,000 in 1906 and 3,337,400,000 in 1905. The production of the United States had reached its high-water mark of 748,000,000 bushels in 1902; it decreased in 1903, 1904, and 1905; rose to 692,000,000 bushels in 1906; in 1907 it again showed a decrease to 641,670,000 bushels. The Canadian total for 1907 was given at Budapest as 93,500,000 bushels. In 1906 it had been 125,000,000 bushels; in 1905, 113,000,000 bushels; in 1904, 74,000,000 bushels; and in 1890, only 27,500,000 bushels. According to the Washington Bureau of Statistics the United States exports of wheat and wheat-flour in 1880 were 180,000,000 bushels, and in 1906 they had decreased to 97,000,000 bushels; in Canada they had risen in the same period from 7,541,000 bushels to 47,293,000 bushels. The total grain production of Canada in 1906—apart from Quebec, which does not yet compile statistics in this connection—was as follows:

Province.	Wheat.	Oats.	Barley.	Sundries.	Total.
Ontario	22,108,774	108,341,455	25,253,011	34,498,154	190,201,394
New Brunswick	406,853	5,695,580	99,355	1,179,998	7,381,786
Nova Scotia	200,000	2,100,000	150,000	14,000	2,464,000
Manitoba	61,250,413	50,692,977	17,532,553	442,311	129,918,254
Saskatchewan	37,040,098	23,965,528	1,316,415	730,529	63,052,210
Alberta	3,966,020	13,136,913	2,157,957	73,376	19,333,266
British Columbia	533,333	1,529,411	625,000	.....	2,687,744
Total	125,505,491	205,461,864	47,134,291	36,938,368	415,038,654

A notable feature in agricultural affairs continued to be the enormous production of cheese. In the nine months ending March 31, 1907, the value of Canadian exports in this respect was $22,006,584 as against $24,433,169 in the preceding twelve months; the proportion going to Great Britain being $21,909,879 in 1907, and $24,300,908 in the former period. In butter there was a slight decrease of export during the periods mentioned (proportionately from $7,075,539 to $4,011,609); nearly the whole of this export trade also going to Great Britain. Of the

chief agricultural exports in the twelve months ending March 31, 1907, the total was $78,961,636 in value, and of this $73,336,430 went to Great Britain, which imported during the same period, and of the same products, a total value of $588,114,837. Apart from cheese and butter the principal items of Canada's agricultural exports in the twelve months named were bacon, totalling $9,018,470 in value; wheat, $20,397,629; flour, $4,095,207; oats, $1,855,300; cattle, $10,932,539; sheep and lambs, $1,302,824; apples, $2,634,608. In this latter connection there was a marked decrease from the export of $4,083,482 in 1906, and this harmonized with conditions in the United States, where there was a shortage of over 10,000,000 barrels in the total crop.

At some of the agricultural meetings of the year in Canada Resolutions were passed and opinions expressed of public importance; in addition to the many technical and special subjects of local import which were considered. The Dairymen's Association of Manitoba, on Feb. 14th, expressed approval of the grading of cream by Provincial creameries, and asked the Government to use all its influence in that direction; declared that the dairy interests of the Province could be best served by the introduction of travelling dairies under the auspices of the Government; and urged upon butter-makers and farmers alike the necessity of supplying better cream in order to improve the quality of the butter made. The Manitoba Grain Growers' Association held a most important and busy Convention at Winnipeg on Feb. 6th and following days. The President, Mr. D. W. McCuaig, in his opening address detailed his work in connection with the Royal Grain Commission and the suit against the Winnipeg Grain Exchange for alleged conspiracy to restrain trade; the Directors reported as to conferences with the Government and the Railways and concerning various matters affecting the production of grain. The Resolutions passed included the following: (1) Recommending the amendment of the Bank Act so as to provide for the lending of money to farmers on the security of their grain in store upon the farm; (2) the amending of the Grain Act so as to provide for the enforced lowering of an Elevator Company's rates at all points to equal the special rate which it might allow at one place; (3) recommending a Convention of Grain Growers to deal with and discuss the question of Government ownership of Elevators and expressing approval of the principle; (4) urging various suggested amendments to the charter of the Winnipeg Grain Exchange; (5) asking the Dominion Government to compel the Railways to provide cars at all stations and sidings as required, without favour or discrimination; (6) urging the Railways to reduce the freight rates on coarser grains; (7) opposing any further bonus or bounty to the iron and steel industry; (8) supporting the principle of reciprocal

demurrage "when cars are not supplied a week after being ordered"; and (9) endorsing the Federal Government ownership of long distance telephones and telegraph lines and the enforcement by Federal legislation of a two-cent passenger rate on railways.

The annual Convention of the Saskatchewan Grain Growers' Association was held at Regina on Feb. 20. President E. N. Hopkins, in his address, dealt with the grain and coal blockades of the moment. He opposed the reciprocal demurrage proposals as not meeting the case, and presented a plan involving the Government control of grade and weight in wheat until it reached the terminal elevator, and from thence the markets of the world. "To this end I would favour asking the Government to erect one or two large interior terminal elevators at strategic eastern points within the Province. If one, it should be on the C.P.R.; if two, the second should be on the C.N.R. In these all grain would be properly cleaned, graded and weighed. If this necessitated a charge there would be no reasonable objection at least to operation expenses, interest on investment and, if they insisted, something to go into the capital account." At the conclusion of his address Mr. Hopkins announced figures of Provincial production of wheat just received as 37,000,000 bushels for 1906, and he laid stress upon the fact that this only covered 5 per cent. of the arable lands of Saskatchewan. Resolutions were passed which may be summarized as follows:

1. Urging the establishment of a Provincial Agricultural College.
2. Demanding control of the coal mines of the Province by the Provincial Government.
3. Asking the Provincial Government to provide coal stands at central points throughout Saskatchewan for the storage of coal in summer time, and its sale at cost in times of emergency, and asking mine-owners to fill car-lot orders to consumers at wholesale prices.
4. Reiterating the opinion of the Association that legislation should be enacted to compel railway companies to place agents at points where not less than 100,000 bushels of grain are grown within an area which would naturally be considered as tributary to any railway siding, and declaring that the bulk of such grain would be shipped from such siding if shipping facilities were provided.
5. Approving the Dominion Government's appointment of a Committee of the Commons to inquire into the alleged lumber combine.
6. Expressing the opinion that the time had arrived for the installation of a Provincial Telephone system owned and operated by the Government.
7. Declaring existing freight rates on lumber and coal to be excessive, and urging a reduction of rates.
8. Approving the Government construction of a Hudson's Bay Railway.
9. Suggesting the Government control of all terminal elevators and the establishment of a system of internal terminal elevators—the whole to be operated by a Commission representing the Government, the Railway Commission and the Grain growers of the Province.
10. Urging the establishment of an Experimental Farm in the northern part of the Province; favouring the provision of a reasonable system of reciprocal demurrage; and asking the Provincial Government to impose a land tax of one cent per acre as an insurance against hail storms.

The Western Stock Growers' Association, at its meeting on May 9th, protested strongly against the proposed Alberta tax-levy of one-half cent per acre on taxable lands outside of existing school districts. The Resolution alleged that: "The stock industry having just come through the worst winter in its history, it will come particularly hard on cattlemen, especially on leaseholders, to have to face such a heavy tax at this time." The Central Stock Growers' Association on June 5th declared that the granting of leases for an area of more than nine sections was not in the best interests of the ranching industry. In December the Farmers' Association of Ontario and the Dominion Grange met in Toronto and amalgamated. The Legislation Committee reported, at length, on such public questions as the tariff, iron-bounties, railway subsidies and taxation, and national expenditure. Upon the first point reference was made to the Manufacturers' demand for higher protection with the following vigorous comment: "This demand must be met by the counter-demand that the protective policy shall be wholly eliminated, and the tariff reduced to a purely revenue basis. Industries that have had the advantage of thirty years of protection, which have the constant advantage of nearness to market, and are promised the further benefits of electric power at a cost much below that produced by steam from coal, should be able to stand alone. And what they may reasonably be expected to do they ought to be compelled to do."

Bounties to the iron industry were denounced as "gross misapplication of the public funds." In the matter of Railway taxation it was declared that the farmer pays $300 in taxes to every $100 paid by the railways, and a long argument was based on the following statement: "The capitalization of Ontario's share of the general system may, therefore, be fairly placed at half a billion dollars. The capitalization of the farm property of Ontario—lands, buildings, stock and implements—is placed by the Bureau of Industries at a little over one billion dollars. A little over one billion dollars' worth of farm property pays $5,000,000 a year in Municipal taxation; half a billion dollars' worth of railway property pays in Municipal and Provincial taxation about $800,000 a year. In other words $100,000 worth of railway property pays $160 in taxation, while $100,000 worth of farm property pays $500 in taxation." The Dominion and Provincial Governments were urged to practise greater economy, and the Committee on Education offered, amidst approval, a vigorous onslaught upon what it termed "the persistent efforts of militarists to introduce their designs upon a peaceful and industrial people."

The following list of Presidents elected, or acting through the year, in the leading public Associations of Canada devoted to

agricultural affairs, cattle interests, fruit growing, etc., may be given here:

Name.	President.	Address.
Dominion Cattle Breeders' Association	John Gardhouse	Highfield, Ont.
Dominion Sheep Breeders' Association	John Campbell	Woodville, Ont.
Dominion Swine Breeders' Association	R. H. Harding	Thorndale, Ont.
Dominion Shorthorn Breeders' Association	A. W. Smith	Maple Lodge, Ont.
Dominion Grain and Farmers' Association	J. G. Lethbridge (Master)	Strathburn, Ont.
Canadian Aberdeen-Angus Association	S. Martin	Rounthwaite, Man.
Holstein-Freisian Breeders' Association	A. C. Hallman	Breslau, Ont.
Eastern Ontario Dairymen's Association	John R. Dargavel, M.L.A.	Elgin, Ont.
Ontario Horse Breeders' Association	William Smith	Columbus, Ont.
Western Ontario Poultry Association	Wm. McNeil	London, Ont.
Eastern Ontario Poultry Association	J. A. Belford	Ottawa, Ont.
Ontario Provincial Winter Fair	Arthur Johnston	Greenwood, Ont.
Ontario Association of Fairs and Exhibitions	William Laidlaw	Guelph, Ont.
Western Ontario Dairymen's Association	John McQuaker	Owen Sound.
Ontario Vegetable Growers' Association	R. J. Bushell	Williamsville.
Ontario Agricultural and Experimental Union	J. M. McCallum	Shakespeare, Ont.
British Columbia Fruit and Produce Exchange	James Johnstone	Nelson.
North-West Fruit Growers' Association	E. L. Smith	
Nova Scotia Fruit Growers' Association	John Donaldson	Fort William
New Brunswick Fruit Growers' Association	J. C. Gilman	Kingsclear
Niagara Peninsula Fruit Growers' Association	W. H. Bunting	St. Catharines.
Ontario Fruit Growers' Association	Harold Jones	Maitland.
Ontario Beekeepers' Association	R. H. Smith	St. Thomas.
Ontario Horticultural Association	W. B. Burgoyne	St. Catharines.
Co-Operative Fruit Growers' Association of Ontario	A. E. Sherrington	Walkerton.
Prince Edward Island Fruit Growers' Association	Rev. A. E. Burke	Alberton.
Pomological and Fruit Growing Society of Quebec	R. Brodie	Westmount.
Western Horticultural Association	W. G. Scott	Winnipeg.
Ontario Provincial Winter Fair	Arthur Johnston	Guelph.
Manitoba Sheep and Swine Breeders' Association	George Allison	Burnbank.
Manitoba Cattle Breeders' Association	W. H. English	Harding.
Manitoba Dairy Association	D. Munroe	St. James.
Manitoba Grain Growers' Association	D. W. McCuaig	Portage la Prairie.
Manitoba Horsebreeders' Association	John Graham	Carberry.
Manitoba Poultry Association	J. R. McRae	Neepawa.
Winnipeg Grain and Produce Exchange	S. P. Clark	Winnipeg.
Alberta Cattle Breeders' Association	R. K. Bennett	Midnapore.
Central Alberta Stock Growers' Association	Frank Whitesides	Stettler.
Alberta Horse Breeders' Association	J. A. Turner	Calgary.
Alberta Farmers' Association	Joshua Fletcher	Ellerslie.
Alberta Private Creameries and Cheese Factories Association	T. B. Millar	Burnt Lake.
Western Stock Growers' Association	W. Huckvale	Medicine Hat.
Saskatchewan Grain Growers' Association	E. N. Hopkins	Moose Jaw.
Saskatchewan Stock Breeders' Association	Robert Sinton	Regina.
Saskatchewan Poultry Association	S. Chivers-Wilson	Regina.
British Columbia Dairymen's Association	A. C. Wells	Chilliwack.
British Columbia Stock Breeders' Association	A. D. Patterson	New Westminster.

Agriculture in the Three Western Provinces

In discussing the all-important question of the coming crops Canadians speak so much and so frequently of "The West"—meaning Manitoba, Saskatchewan and Alberta—that many of the statistics and available data and opinions of a current year are expressed in that general form. When Mr. J. J. Hill said, in Montreal on June 23rd, that in time there would be 20,000,000

of people in Western Canada he meant these three Provinces. Similar was the reference of the Vancouver *Province* when it stated on Aug. 23rd that in the West "Prairie land may be broken at an outside cost of two dollars per acre. Another dollar and a half will prepare it for seeding. Seventy-five cents will purchase the seed for an acre. Another seventy-five cents will cover the cost of harvesting, and a further outlay of a dollar and twenty cents for threshing and delivering to the nearest elevator will cover the cost per acre for the first crop. An outlay, therefore, of $6, or $6.50 at the outside, per acre, is all that is required to raise wheat from a virgin soil which for ten, or even more, consecutive seasons may be expected to yield crops of practically undiminished weight and quality. A fifteen bushel crop at 88 cents will, therefore, pay a profit of $7 per acre, and everything in excess is found money." *Harper's Weekly,* in July, 1907, was not discriminating when it said that both Calgary and Edmonton had good ground for looking forward to a population of 100,000 within a few years, and that Regina, Moose Jaw, Saskatoon and Brandon were all certain to become large towns within a decade. In its annual review (Jan. 9, 1907) of conditions in the West the Manitoba *Free Press* summarized the grain crop of the three Provinces as 201,020,148 bushels; the wheat marketed to date as 52,618,609 bushels; the cattle exported as 85,757, and their value to ranchers as $4,029,639.

Anxiety was early and frequently expressed as to the crop of 1907. Mr. Robert Hall, ex-Mayor of Brandon, wrote on May 14: "This is certainly the latest, coldest and most backward spring we have had in my twenty-five years' experience as a farmer in this country. There is only the slightest indication of growth, though I am told that germination is starting in the wheat sowed the week before last. So far as I can learn Manitoba and Eastern Saskatchewan are about on a par with respect to seeding operations." To the Toronto *Globe,* of June 1, the Hon. Frank Oliver stated that throughout Northern Alberta, Saskatchewan and Manitoba nearly all seeding was done by May 24th. Late as was the season, however, with April the coldest month in many years and May with a temperature unfavourable to the rapid growth of grain, optimists looked upon the heavy snowfall of the preceding winter as possible compensation for much of this trouble. Amongst these was Mr. James Murray, of the Brandon Experimental Farm. Senator McMullen, of Mt. Forest, on his return from a trip through the West told the press on June 28th that "grave apprehension exists as to the frosts in the fall cutting off the crop before maturity. In past years the crops have been snatched out of the jaws of disaster from frost and, as a rule, the seed was in the ground from three weeks to a month earlier than this year; hence the general suspicion as to what may happen

this fall, and the substantial rise in the price of wheat confirms the existence of that apprehension."

As time went on there was not enough rain in Southern Manitoba, while in Saskatchewan the crops during July looked splendid, and the wheat acreage for the three Provinces was stated at 4,933,292, or slightly less than in 1906; the area under oats as 2,373,030 acres, or an increase of 12 per cent. over 1906; the area under barley as 663,833, or an increase of 10 per cent. On July 25th Dr. William Saunders of the Experimental Farms was reported as saying that there would be a three-quarters crop in the West; while the Montreal *Herald* of June 29 estimated a probable crop of 118,000,000 bushels, or an increase of about 25 per cent. On August 9th Mr. C. C. Castle, of the Warehouse Commission, reported to the Department of Trade and Commerce as follows: "I am pleased to be able to advise that from all parts of Manitoba, Alberta and Saskatchewan reports as to crop conditions are most favourable. In fact during the last four or five weeks the conditions have been almost ideal. Crops which looked poor before that time have recovered wonderfully, and should the present favourable weather continue it looks as if harvesting in the three Provinces will be general toward the end of the present month. The Manitoba wheat crop will average from fourteen to sixteen bushels, some districts will go over twenty, and the Alberta and Saskatchewan crops will be even heavier. Probably some portions of the late-sown wheat will not mature in time to escape early frosts, in which case the yield per acre will be reduced."

From this time on to the end of August the weather grew dangerously cool, and very uncertain at the best, with frost on Aug. 18 and following days at different points. On Sept. 11th there was another damaging frost through many parts of the West. On Aug. 29th the Grain Growers' Association reached Winnipeg from their annual trip through the country, and reported a probable yield aggregating 75,000,000 to 80,000,000 bushels. The Manitoba *Free Press* of Sept. 2 reported a careful inspection of Western harvest fields and a probable production equal to that of 1906. The usual careful report of the Canadian Bank of Commerce was made public on Sept. 6th, and estimated a yield of 80,811,000 bushels of wheat, valued at $60,614,800; 76,806,000 bushels of oats, worth $23,042,000; 20,743,000 bushels of barley, valued at $7,260,000—a total valuation for the coming crop of $90,916,000. Mr. F. W. Thompson, the well-known Vice-President of the Ogilvie Milling Co., placed his wheat estimate of this period at 70,000,000 bushels with, however, net financial results to the West not below that of the 1906 crop. Frost had, he said, caused some deterioration, and there would not be so much high-grade wheat as in the previous year.

The *Financial Post* of Toronto was much more pessimistic (Sept. 7), with a wheat estimate of 65 or 70 million bushels, of which one-half would be of inferior grade. Mr. Robert Meighen, of the Lake of the Woods Milling Company, put the production at not less than 75 million bushels; while the estimate of the North-West Grain Dealers' Association was 82,222,000 bushels of wheat, 87,565,000 bushels of oats, and 18,654,000 bushels of barley; and the Winnipeg *Commercial* placed the value of these three products at $112,099,150. Still more optimistic was the estimate of Mr. W. J. Bettingen, President of the Winnipeg Grain Exchange, who on Sept. 12, placed the total grain crop of the West at 190,000,000 bushels, with wheat running from 80 to 85 million bushels. Finally, the statement of Mr. Rogers, Manitoba Minister of Public Works, on Dec. 5th, may be quoted. After many reports and some of the official returns were in he placed the value of the Western yield of grain at $125,000,000 —made up from an estimated product of 70,000,000 bushels of wheat, 85,000,000 bushels of oats, and 25,000,000 bushels of barley. The C.P.R. estimate was a value of $128,860,988, as against the total of $107,772,620 in 1906. Up to the close of the year the semi-official statements of production for 1907 were as follows:

Product Bushels.	Manitoba Govt. Returns.	Sask. Govt. Returns.	Alberta Estimate.	Total Bushels.
Wheat	39,688,266	27,691,601	3,330,759	70,710,626
Oats	42,233,149	23,324,903	11,723,617	77,281,669
Barley	16,752,724	1,350,265	2,356,009	20,458,998

Government estimates of Saskatchewan production were affected by the September frosts, but only to the extent of some 3,000,000 bushels, and the above are the final returns. The Hon. W. R. Motherwell, Provincial Minister of Agriculture, stated in this connection on Sept. 22nd that: "Although I cannot yet speak with absolute certainty as to the actual condition of the Saskatchewan wheat crop, still sufficient is known to indicate that a very considerable proportion of this crop will classify into commercial grades. Owing to the unusually high price of wheat, oats, and other feed products, I am still of the opinion, notwithstanding that the cream has unfortunately been taken off our crop, that a very substantial net aggregate will yet be realized as a result of this year's operations." Sir T. G. Shaughnessy at the C.P.R. annual meeting on Oct. 1st estimated the total shrinkage in the Western crop at 25 per cent. In his annual review of the situation (Jan. 14, 1908) Mr. B. E. Walker, of the Canadian Bank of Commerce, declared that the latest returns had verified the Bank's estimate of 160,000,000 bushels of cereals, as compared with 190,000,000 in 1906 and 167,000,000 in 1905. He added that the net money result from all cereals produced in

the West would certainly be $85,000,000, and might even equal the results of the previous year. The average yield per acre was stated at 14 bushels for wheat, 33 bushels for oats, and 25 bushels for barley. In 1906 the yield had been, respectively, 20 and 42 and 35 bushels per acre. As to the larger returns from a lesser production, Mr. Walker stated that:

> Of course this is due to the high price set against the much smaller quantity and the great loss in grades due to frost. Had the season been a normal one and had prices, which are not appreciably affected by our crop, remained high, our western farmers would have enjoyed a prosperity exceeding anything they have known. Apart from the difficulties of transporting and financing the grain, the unfortunate feature of the crop has been that the results fall so unevenly as to districts. In the main the fair results have been enjoyed by those districts which could have borne poor crops, while the most meagre results have often come to the newest districts.

In details of production Manitoba had a total area under grain crop of 4,707,483 acres and under all crops of 4,834,817 acres; Saskatchewan had an area under grains of 2,765,948 acres, as compared with 2,494,799 acres in 1906; Alberta had 715,812 acres under grain, as compared with 541,022 acres in 1906. During 1907 the farmers of Manitoba disposed of 73,561 turkeys, 43,975 geese, and 439,696 chickens; the new farm buildings erected were valued at $1,735,825, as against $4,515,085 in 1906; the butter marketed was valued at $1,048,585, and the cheese at $168,997. In June a Manitoba crop bulletin stated that the farm hands employed in the Province numbered 18,501, while those required were 24,583; that the number of female servants were 4,619, and those required were 4,692; that the horses owned numbered 160,407, the cattle 318,288, the pigs 142,949, and the sheep 19,565. According to the latest official figures there were 41 creameries and 8 cheese factories in Alberta; and under the active encouragement of the Provincial Government these were rapidly increasing. In Saskatchewan there were 6 creameries, but no cheese factories.

An interesting incident of the year in these Western Provinces was an Irrigation Conference composed of representatives from Saskatchewan, Alberta and, in this case, British Columbia. It was held at Calgary on July 17th for the discussion of the following subjects: Forestry as applied to irrigation; extension of surveys in connection with irrigation, and having particular reference to the gauging of streams and location of reservoir sites; agricultural and horticultural experiments and the use and duty of water on the irrigation farm; the industrial development following in the wake of irrigation; laws relating to the use of water and the administration thereof in British Columbia, Alberta and Saskatchewan; social phases of the irrigation movement; the co-relation of irrigation and drainage; status of irriga-

tion in Canada. Mr. C. W. Peterson was Chairman of the Calgary Committee on arrangements.

A large delegation from each of the three Provinces was present, and the Convention was opened by the Lieut.-Governor of Alberta (Mr. G. H. V. Bulyea). Its members were welcomed by Hon. W. H. Cushing on behalf of the Provincial Government and by Mr. Mayor Cameron for the City. Mr. R. B. Bennett, K.C., was chosen President, and delivered an address which reviewed at length the history and conditions of the irrigation problem in the West. On the following day this Resolution was passed: "That the Convention desires to recommend the immediate appointment of a thoroughly qualified Commission to inquire into the present status of the water laws of British Columbia and Alberta and their administration; such Commission to include representation from small users of water, and to report to the British Columbia Government at as early a date as possible, recommending such changes in legislation as will deal with existing grievances and, while respecting existing rights, provide for future development and, if possible, bring about uniformity in the water laws of the three Provinces of British Columbia, Alberta and Saskatchewan." Professor R. L. Carpenter and Mr. C. W. Peterson then addressed the Convention at length—the latter upon the Industrial development which should follow in the wake of Irrigation. To Mr. Peterson this kind of expansion meant small holdings and a dense rural settlement; the consequent encouragement of production in cereals, fruits and vegetables; a development in meat-packing and, in the case of Alberta, in the production of alfalfa-fed pork; ideal conditions for the home of creameries, cheese factories, and evaporated and condensed milk plants; the promotion of beet-sugar growth and manufacture; the establishment of textile industries through the ready growth of flax and hemp; the production of malting barley and encouragement of woollen mills as a result of the easy production and care of sheep; the promotion of other industries, such as cereal milling, vegetable canning and potato starch. "Irrigation farming," he concluded, "is advanced agriculture. It is more. Irrigation-farming is business farming, and those sections of our Great West that are favoured with an abundant water supply available for irrigation ought to utilize every gallon thereof as speedily as possible." It was decided to hold the next Convention at Vernon, B.C., and the Lieut.-Governor (Mr. Dunsmuir) of British Columbia was elected Hon. President; Hon. F. J. Fulton, of Victoria, President; J. S. Dennis, of Calgary, and W. C. Ricardo, of Vernon, Vice-Presidents; W. K. Megan, of Vernon, Sec.-Treasurer. The Executive Committee was made up of J. T. Hall, Medicine Hat; W. Pearce and C. W. Peterson, Calgary; A. E. Humphries, Lethbridge; T. W. Woolford, Cardston; and T. W. Stirling, Vernon.

In 1907 a Census of the North-West Provinces for the year 1906, and in comparison with the year 1900 was completed and published. During the five years in Manitoba the population had increased from 255,211 to 365,688, or 43·28 per cent.; the number of farms from 31,812 to 36,141; the total number of live stock from 670,000, in round numbers, to 966,000; the area under wheat by 755,886 acres, or 38½ per cent.; that under oats by 357,434 acres, or 62 per cent. and under barley by 197,326 acres, or 141 per cent; the production of wheat increased from 18,352,929 bushels to 54,472,198 bushels, of barley from 2,666,567 to 11,979,554 bushels, of oats from 10,592,365 to 44,643,300 bushels. In Saskatchewan the population increased from 91,279 to 257,763, or 182·39 per cent.; the number of farms from 13,380 to 55,971; the total number of live stock, in round figures, from 400,000 to 958,000; the area under wheat from 487,000 to 2,117,000 acres, under barley from 11,000 to 77,000 acres, under oats from 141,000 to 901,000 acres; the total production of wheat increased from 4,306,091 bushels to 50,182,350 bushels, of barley from 187,211 to 2,828,587 bushels, of oats from 2,270,057 to 41,899,257 bushels. In Alberta the population grew from 73,022 to 185,412; the number of farms from 9,433 to 30,286; the total number of live stock, in round figures, from 595,000 to 1,446,000; the area under wheat from 43,000 acres to 224,000 acres, under barley from 11,000 to 108,000 acres, under oats from 118,000 to 476,000 acres; the production of wheat from 797,839 bushels to 5,932,267 bushels, of barley from 287,343 to 3,876,468 bushels, of oats from 3,791,259 to 24,027,071 bushels. For the three Provinces the statistics may be tabulated as follows:

Population—1900, 419,512; 1906, 808,863; Increase, 92·81 per cent.
Acreage—Under crop, 1906, 8,327,970; Total area of land, 357,016,778.
Acreage—Under wheat, 1900, 2,495,466; 1906, 5,062,493 acres.
Production of wheat—1900, 23,456,859 bushels; 1906, 110,586,824.
Production of barley—1900, 3,141,121 bushels; 1906, 18,684,609.
Production of oats—1900, 16,653,681 bushels; 1906, 110,569,628.
Bushels per acre, 1906—Wheat, 21·84; barley, 35·74; oats, 47·87.

The Peace River Country and Fruit-Growing in British Columbia

Running through the northern part of Alberta and into the valleys and mountains of British Columbia the Peace River region became still better known in 1907 as one of the coming sections of the North-West. During the year Mr. W. F. Robertson, Provincial Mineralogist of British Columbia, visited a considerable part of this region. He reported an almost entire absence of settlers, except in the isolated Hudson's Bay Company posts, and but few attempts at cultivation. At many of these points, however, the crops tried seemed to grow prolifically—notably root-crops, vegetables and the smaller fruits at Babine Post, Stuart Lake, McLeod Lake, and Fort St. John.

At Dunvegan, in Alberta, vegetables and grain were growing, and at Peace River Crossing garden vegetables were found in the latter part of September. At Vermilion, 300 miles farther to the north and down the Peace River, grain was grown and a mill was in operation. Upon this general subject Mr. W. F. Bredin spoke in the Alberta Legislature at some length early in the year:

> I have come from Fort St. John to Edmonton, a distance of six hundred miles, and found the growing of grain no further advanced than it was at St. John three weeks before. On the Peace the Chinook blows stronger than anywhere else in the Province. At Fort Laird, all cereals can be successfully grown that will succeed here. At Fort Simpson, 275 miles down the Mackenzie, I have seen all the common vegetables, including cucumber and cauliflower, matured under exactly the same system of cultivation that they would be given here. The most of the country drained by the Peace, which includes the Smoky and South Pine Valleys, will be found to be excellent agricultural lands. All along these streams are extensive prairies, bedecked in summer with our common prairie flowers. Roses are as plentiful north of Peace as they are south of the Saskatchewan. On one small island, in Great Slave Lake, I found luxuriating all the kinds of small fruits that are to be found within a radius of one hundred miles of Edmonton.

Mr. F. S. Lawrence, of Fort Vermilion, told the Winnipeg *Telegram* on March 28th that his district included a tract of fertile land 600 miles in length and varying from 40 to 200 miles in width. From Fort Vermilion, 700 miles north of Edmonton, to the latter point, Mr. Lawrence described all the land along the route as what he called good. Natural gas streams, petroleum wells, boundless quantities of game, plentiful supplies of timber, many indications of coal deposits, and much soil fitted for the growth of grain, was his summary of the region. Mr. Ernest Thompson-Seton paid the country a visit in the summer, and told the Canadian Club at Edmonton on Nov. 2nd that there was "a glorious future" before the Peace River Valley. In this country of the Peace, around the Salt River, he could have imagined he was in the poplar bluffs of Southern Manitoba. "There was rich, alluvial soil, and trees of tamarac and spruce and birch, in perfection. These tell what the climate is. There was much muskeg, of course, but there were miles upon miles of rich prairie, with hay, water and wood in abundance, and everything to draw a prosperous settlement." From various reports there seemed no doubt of the fact that cattle could be raised in all parts of this region, and it is not improbable that there will be a great ranching development there, as in Southern Alberta, before population and grain-growing really take possession.

In British Columbia agriculture, so far as it involves the growing of grain, is not an important factor. Fruit-growing is the staple production in this connection, and an authoritative estimate for 1907 put the total value at $1,250,000. The rich valleys and lowlands of the Province are also conducive to dairying, and in 1906 there were 19 co-operative creameries in existence, producing $441,956 worth of butter. Vancouver Island,

THE REV. ROBERT A. FALCONER, M.A., D.D., LL.D.
Appointed President of the University of Toronto in 1907.

THE MOST REV. ARTHUR SWEATMAN, D.D., D.C.L.
Elected Archbishop of Toronto and Metropolitan of the Church of England in Canada, 1907.

one of the coming points of great development in Canada, has innumerable small and scattered sections in its southern portion which are specially adapted for fruit farms. Farming of other kinds is good and promises better, but the farms are, perhaps, held at too high a price. In the Valleys of the Upper Fraser, the Thompson and Nicola, on the Mainland, fruit of the very highest quality and value can be grown, but space is limited by need of irrigation. The valleys of the Similkameen and its tributaries are most favourable locations for the growth of grapes, peaches, etc., but here, again, some irrigation is required. In the Valley of the Spallimcheen River the rainfall is sufficient and conditions splendid for apples, pears, plums and cherries. The timber is light and the soil rich. The great Okanagan Valley contains the largest area of fruit lands in the Province. Peaches were being largely shipped from this region during 1907. The Kettle River country, the region of the Kootenay Lakes, and the Upper Columbia valleys, are other notable regions of fruit-growing possibilities.

Many of these sections are known for general agricultural resources and conditions as well as fruit-growing. In the Berkeley Valley crops of potatoes and all kinds of vegetables flourished during the year under consideration, and it was found to be a splendid country for cattle. Many settlers came in and villages began to appear. The attention of capitalists in Vancouver and Dakota was attracted during 1907 to this region, and early development promised. In the Penticton district of the Okanagan settlers were numerous and the progress of irrigation work marked. What was almost a discovery of the year was the prosperity of the village and ranch lands of Langley. Up on the banks of the rushing Fraser, with many little streams running through the valley, with prolific orchards, splendid ranches, rich pasture lands and light timber, it resembled many other places in British Columbia except, perhaps, in having been almost unknown and in the possession of an air of greater prosperity than most. An estimate of the value of Kootenay fruit lands was given the press at Nelson by Mr. Alex. Lucas, Provincial Assessor, on Sept. 11th, as follows: "Good fruit land under cultivation, land free of stumps and stones, so that it may be cultivated by horse-power and carrying a perpetual water-right, with the main ditch or flume constructed to the land, and favourably situated on Howser, Kootenay, Slocan or the Arrow Lakes, or in the valleys watered by these lakes, is worth from $150 to $250 per acre. Raw or unimproved land is worth the difference between the figures named and what it will cost to bring it into a state of cultivation that I have above described. A well selected and well cared for apple orchard, five years old, is worth $500 to $600 an acre; and at ten years old is worth from $1,000 to $1,200 an acre. The districts named are, from a climatic and soil point of view, particularly adapted to the growing of apples, plums, cherries and straw-

berries, and most of the small fruits of first-class quality." As to the Okanagan, Dr. Everett W. Sawyer, President of the Okanagan College of Summerland, B.C., gave an enthusiastic picture in the St. John *Sun* on Sept. 19th:

> It is the great fruit section of British Columbia. Situated in the Rocky Mountains, about 200 miles from the coast, it is about 150 miles long and from 3 to 15 miles wide. It is from 1,500 to 2,000 feet above sea level and a lake three miles wide, which never freezes, extends almost the whole length of the valley in the centre. The valley is in the rainless belt, and it is only within the past eight or ten years that it was found by irrigation it could be made suitable for agriculture and fruit-raising. It is now known that almost anything can be grown there that will grow 300 miles south of the United States line; among other products watermelons, almonds and even figs. Its apples and peaches are famous. British Columbia has, for the past four or five years, taken first rank among the Colonies in London for fruit, and 90 per cent. of its fruit comes from this valley.

About this time Mr. Herbert Vanderhoof, of the Western Canada Irrigation Association, had an article in the Chicago *Post,* in which he spoke of British Columbia strawberries selling at 25 cents a pound, with seven berries to the pound; declared the opportunities for profitable and diversified farming in the Province to be practically unlimited; dwelt at length upon the changes wrought through irrigation and the infinite possibilities of the future in this respect; described the productive value of land in British Columbia, with good water facilities, as easily four times that of Eastern Canada; spoke of dairying as paying handsomely, vegetables as growing everywhere in profusion and, near Kelowna, of 20 acres producing 403 tons of potatoes, which sold at $14.00 a ton; described wheat as produced chiefly in the Fraser Valley, Okanagan, Spallimcheen and the Kamloops region; stated that poultry raising was very profitable, with each hen averaging a profit of $2.00 a year. He concluded his review of conditions as follows: "Hop-growing, tobacco raising, bee culture, cranberry, celery, sugar-beet and melon growing also are carried on successfully. The culture of flowering bulbs on Vancouver Island is a profitable industry, the gains being estimated at over $2,000 an acre. Cattle raising on a large scale was once a chief industry of the Province, but the tendency of late has been for smaller herds and the improvement of the stock. While the Province is capable of raising all the beef, mutton and pork required for home consumption a large amount is annually exported. Fruit growing is one of the most important industries of the Province. A few years ago the man who would venture to describe the Kootenays as fruit-growing districts would have been looked upon as a visionary or an imbecile; to-day all Southern British Columbia is acknowledged to be one of the finest fruit-growing countries on this continent. Not only will it produce fruit in abundance but the quality of its fruit is equal to that grown in any other part of America." During the year Mr. J. H. Turner, Agent-

General in London, made a tour of the Province. To the Victoria *Colonist* on Oct. 8th he said:

> I was very much struck, throughout my tour, by the wonderful change in the country and the great prosperity of all the people I encountered. At many points that I had known before I left British Columbia for England and which then simply appeared to be rough forests or rock, I now found thousands of acres of cultivated fruit lands. Fruit shipments were being made from some places which a few years ago, except for a prospective value from any mineral which might be found to exist, were valueless. At Grand Forks I saw a large body of men at work picking and packing Italian prunes. The crop has been estimated at ten carloads of ten tons each, all of which is being sold at a good paying price. Horticulture seems to have changed the whole character of the country and put renewed spirit into all the people. I met men who told me that off their hundred and sixty acres of land, only a few years under cultivation, they were making some $2,500 profit. It was very evident from the increased and steadily growing demand for fruit, that their net income, in a few years, would amount to $10,000.

Of Vancouver Island much was written during 1907. To the Victoria *Times* Mr. G. O. Buchanan, of Kaslo, contributed some elaborate historical material; in the *Colonist* of July 21st much space was given to a pen picture of the Island—past and present, conditions and prospects, resources and products, climate and character. With an area of 16,400 square miles, or about 10,000,000 acres, of which about one-third was practically unexplored; with a stepping-stone series of islands reaching at one point to the mainland, so that the longest bridge required would be only 1,250 feet in length; with an infinite diversity of scenery on land and coast; with both light and heavily-timbered lands and much known soil of a most fertile character; with splendid resources for cattle and dairy-farming; with a delightful climate, in which all kinds of crops could grow freely; with immense possibilities in coal and various metalliferous ores and with unlimited fisheries; with growing industries and the capital of the Province on its shores; with the C.P.R. interested in its development through ownership of the Island Railway (the E. & N.); every prospect of progress was present. Of timber the Island was said to contain at least 8,000,000 acres valued, roughly, at $400,000,000; of minerals its production in 1906 totalled $5,388,-146. The needs of the Island seem to be a policy of railway development which perhaps the C.P.R. will give; a Government policy of exploration; and a general policy, on the part of Victoria and British Columbia publicists, of making its resources better known throughout Canada and in Great Britain.

Agricultural Resources and Production in Ontario

Writing to the London *Daily Chronicle* from Sudbury during the summer of 1907 a special correspondent of that paper (Mr. F. Whelan Boyle) gave a view of Ontario which would be new to many in that Province as well as abroad: "There is a general impression that the East is a tolerably crowded part of the country and that the future lies only with

the great North-West. How far this is from the facts may be gauged by a few bald figures. In the Province of Ontario, which may be called the keystone of Canada, and which has a length of 1,100 miles and a breadth of 700, of the 126 millions of acres which it contains, 80 millions have not yet even been surveyed, while only 24 millions have been sold or alienated. The area still in the possession of the Crown, therefore, is 102 millions of acres, an area which exceeds that of the United Kingdom by one-quarter of the latter." He went on to describe the millions of acres of clay land which were being opened up by the Temiskaming Railway, and which were said to be watered by seven large rivers, and to be an almost unbroken area of good land. Development of these rich regions of what was called New Ontario proceeded apace during the year and, despite the troubles of older Ontario, with its universally bad weather, and reduced crops, and increasing area under grass, settlers poured in, villages grew, and farms evolved from the apparent wilderness.

In Ontario the aid given by the Provincial Government during a long term of years to various agricultural interests has been pronounced. The Ontario Agricultural College and Experimental Union at Guelph, with the Farmers' Institute system so widely shared in by individual farmers, had proved most valuable factors in the development of a Province where the value of land grew from $554,054,552 in 1897 to $661,199,920 in 1906; of farm buildings, from $206,090,159 to $273,414,187; of implements, from $51,299,098 to $71,197,619; of live stock, from $93,649,804 to $183,307,394; of live stock sold or killed, in the year, from $29,753,599 in 1897 to $61,528,288 in 1906; of total value in farm property from $905,093,613 to $1,189,119,120, or from an average per acre of $38.75 to $48.97. Mr. G. C. Creelman, President of the College, speaking to the Canadian Club, Boston, on March 14, described at length the work of an institution which then had more than 1,000 students a year in attendance. After referring to the influence of Dr. Mills, the late President, and his faith in the future of Canadian agriculture, Mr. Creelman went on as follows:

> He repeatedly refused to allow subjects to creep into the College curriculum that had no bearing on the work of the farm. In my opinion, many of the so-called agricultural colleges of the United States have disappointed the very people for whom they were intended by allowing mechanical, commercial and engineering courses to be incorporated in their College work, almost invariably with the result that students were divorced from agriculture, and the graduates failed to return to the farm. At Guelph, the thousands of students, particularly in recent years, who have returned to the farms of Ontario have had an immense influence in bringing about the general results and in helping the uplift of agriculture. One important feature of the College work was the organization of the Experimental Union, with a membership of 4,050 farmers, each conducting experiments and reporting upon them. By plant selection, removal of weeds, seeds, etc., the product of the farms of Canada has

been increased in value by millions of dollars in the last ten years. Mr. Hays, Assistant Secretary of Agriculture in Washington, speaking of Ontario farms, has said that there were 10,000,000 acres of field crop which might be improved by modern methods of plant breeding, so as to yield in forty years, an increase of $25,000,000 annually, at an increased cost of cultivation of only $25,000.

The exceptional conditions which effected the West, and the whole continent during 1907, of course lessened the agricultural vitality of Ontario as a whole. In August it was pretty well known that two of the chief crops of the Province, oats and hay, would be the poorest in many years. The backward and insufficient rains also affected the wheat, but in the end it turned out rather better than was expected. According to an inquiry made in 15 counties by the London *Free Press* (Sept. 5) the yield of oats, hay and tobacco was light and poor, while the quality of the crop seemed better than usual. Fruits were badly damaged, and the crop was unusually light in every part of the Province —especially in pears, plums and peaches. Tomatoes and some other vegetables also suffered. Various alarmist statements were made during the summer, and that of President James McEwing at the Toronto meeting of the Farmers' Association on Sept. 3rd quite capped the climax:

> I regret very much that, owing to the extraordinary season which we have experienced, the result of this year's operations are likely to prove disappointing to the farmers of Ontario. From the best information available there is no doubt that the hay, grain, and root crops of Ontario for 1907 will be at least one-third less than the average crop for the last eight or ten years. This will mean less beef, bacon, mutton, cheese and butter. It is also a matter of grave concern in many districts how the necessary food is to be provided for the farm stock during the coming fall and winter months. There is no doubt that large numbers will have to be sacrificed, to a large extent, to meet the requirements of the situation. It has been estimated by good authorities that the value of the products of Ontario's farms for the year 1906 reached the enormous sum of $250,000,000. If this estimate is a correct one, the partial failure of the crops of 1907 will mean a difference of over $80,000,000 to the Ontario farmers; they will have that much less to compensate them for their toil, and they will have that much less to expend for the necessities and comforts of life for themselves and their families.

These conclusions seem to have been based in part upon the Ontario Crop Bulletin of August 15, in which oats were described as a three-quarters yield, or 9 bushels an acre less in crop, hay as a failure, corn as late in growth and doubtful in condition, tobacco and potatoes as poor, fruits as light, fodder of all kinds as scarce, wheat as good, though averaging 3 bushels an acre less than usual, and barley having a reduced production of 5½ bushels to the acre. The *Farmer's Sun* followed up Mr. McEwing's statement by declaring that the official reports showed the production of grain to be at least $12,000,000, below the average, with a probable total shortage in this direction and in dairying of $20,000,000. The calculations of Mr. McEwing were very

generally criticized, and the basis of his figures did not seem to be understood. Prices had gone up on all sides and it was claimed that, as in the West, the farmer would not be behind the previous year in actual receipts. The Toronto *Globe* of Sept. 6th published the following table of increased prices:

Particulars.	Price Yesterday.	Price a Year ago.	Price Increase, p.c.
Ontario, White-Wheat No. 2 (outside)..	$ 0 87	$ 0 70	24
Manitoba, No. 1 Northern (lake ports)..	1 02	0 79	29
Oats, No. 2 (outside)	0 43	0 31	39
Corn, No. 3 Yellow (Toronto)	0 72	0 57	24
Barley, No. 2 (outside)	0 53	0 48	10
Hay (in bulk).....	18 00	15 00	20
Straw.....	14 00	13 00	7
Butter	0 27	0 25	8
Eggs.....	0 25	0 22	1
Export Cattle (Toronto market).....	5 10	4 90	6

As against this argument the *Farmer's Sun* of Sept. 11th said: "It has been estimated, and the *Sun* believes the estimate to be fairly correct, that 80 per cent. of all the coarse grains raised in Ontario are fed on the farms of the Province. Since the yield of these coarse grains for 1907 is, according to the official statement of the Department of Agriculture, at least 20 per cent. short of last year, there will be no surplus at all to dispose of, and consequently any increase in the price of such grains, instead of being an advantage to the farmers of Ontario, is a positive detriment. It means so much added to the cost of the finished product. It will, however, be a good thing for the West, which has oats to sell." Meanwhile, the rising price of milk served in Toronto was an object lesson as to somebody's profits. The dispute between the local Milk Producers' Association and that of the Retail Dealers reached a stage where arbitration had to be resorted to, and on May 7th the selection as arbitrators of Mr. C. C. James, of the Department of Agriculture, and Judge Winchester was announced. A larger agricultural problem was referred to by the Toronto *Star* on Dec. 28th as deplorable in its results. It quoted recent figures of Professor C. A. Zavitz, of the Guelph College, to the effect that out of some 14,000,000 acres of cleared land in Ontario over 3,000,000 acres were devoted to hay and nearly 3½ millions to pasture. "Almost half the cleared land of the Province is in grass of one form or another. In ten years the area so used has increased by well over a million acres, or about equal to the increase in the same time in the total area of cleared land. In other words the grass crop is increasing at the rate of upwards of 100,000 acres per annum, while that used in the production of other field crops remains practically stationary." The following tables give the official figures of Ontario's crop in 1906 and 1907; also the number of live stock in the Province:

Product.	1906. Acres.	1906. Bushels.	1906. Per acre.	1907. Acres.	1907. Bushels.	1907. Per acre.
Fall Wheat	787,287	18,841,774	23·9	676,164	15,545,491	23·0
Spring Wheat	171,745	3,267,000	19·0	144,514	2,473,651	17·1
Barley	756,163	25,253,011	33·4	766,891	21,718,332	28·3
Oats	2,716,711	108,341,455	39·9	2,932,509	83,524,301	28·5
Peas	410,356	7,388,987	18·0	340,977	7,365,036	21·6
Beans	51,272	950,312	18·5	47,562	790,269	16·6
Rye	79,870	1,327,582	16·6	9,745	1,081,706	15·5
Buckwheat	106,444	1,792,903	16·8	113,039	2,546,468	22·5
Corn for Husking	289,456	23,988,682	82·9	343,934	22,247,931	64·7
Corn for Silo	180,796	2,149,413	11·8	200,354	2,029,547	10·1
Potatoes	136,064	15,020,299	110	183,347	20,907,893	114
Turnips	132,512	57,060,151	431	123,011	48,205,605	392
		Tons.			Tons.	
Hay and Clover	3,069,917	4,684,625	1·53	3,289,552	3,891,863	1·18

	1906.	1907.		1906.	1907.
Milch Cows	1,129,047	1,152,071	Horses	688,147	725,666
Other Cattle	1,834,571	1,774,165	Swine	1,819,778	2,049,666
Sheep and Lambs	1,904,809	1,106,083	Poultry	10,254,834	13,428,076

Agriculture in Quebec and the Maritime Provinces

Although in reality an important agricultural Province, with varied popular interests and a great proportion of its people dependent upon the products of the field and flocks; Quebec appears but little in this respect before the public eye of the Dominion. Failure to obtain or publish official particulars of production has been a chief cause of this curious condition. It is in the main a country of small farms and small holdings; old-fashioned methods and a contented population; great undeveloped and almost unknown resources; although during the last few years wonders have been worked in the way of a steady and unadvertised development. The Canadian Northern is opening up a vast and productive region around Lake St. John; Grand Trunk Pacific explorations promise progress all through the supposed wilderness of the north; dairying continues to be a great industry and the backbone of agricultural production; the foundation and inauguration of the Macdonald College of Agriculture at St. Anne's commenced a splendid work of educating the farmers in methods and teaching them to think in practice; the Butter and Cheese Manufacturers' Association of the Province of Quebec has been organized (December, 1907) with a view to improving the conditions and the methods in creameries and factories. In 1907 the Dominion authorities (Census and Statistics Branch) took a census of agricultural production and conditions in this Province. As published in the following year the figures, compared with those for 1901, were as follows:

Quebec Province.	1901.	1907.
Farm-land cleared	7,421,264 acres	8,513,916 acres
Land in all crops	4,694,356 acres	5,250,405 acres
Fall and spring wheat	1,967,027 bushels	1,739,727 bushels
Oats	33,516,172 bushels	41,327,762 bushels
Barley	2,532,388 bushels	2,885,347 bushels
Rye	210,797 bushels	340,000 bushels
Buckwheat	1,847,821 bushels	2,811,810 bushels
Corn in ear	1,356,353 bushels	1,376,892 bushels

Quebec Province.	1901.	1907.
Mixed grains	3,520,045 bushels	3,819,770 bushels
Beans and peas	967,522 bushels	1,346,971 bushels
Potatoes	16,610,451 bushels	22,910,753 bushels
Roots	3,498,614 bushels	11,311,490 bushels
Hay	2,576,662 tons	4,189,441 tons
Total cereals	45,918,125 bushels	55,648,276 bushels
Horses	282,781 No.	351,176 No.
Milch cows and other cattle	1,326,404 No.	1,554,828 No.
Sheep	649,461 No.	626,633 No.
Swine	388,001 No.	729,453 No.
Poultry	2,928,342 No.	4,342,241 No.

In the Maritime Provinces of Nova Scotia, New Brunswick and Prince Edward Island, while there has been no such attraction as that offered by the glowing West and its oceans of golden grain, there has always been, and there are now, agricultural conditions which might well appeal to the instincts of colonizer, settler and capitalist alike. Some British journalists who in a body visited all parts of Canada in 1907 greatly eulogized these quiet and unpretentious portions of the Dominion. One of them—Mr. Barclay McConkey, in the Belfast *Telegraph*—was accurate in the following presentation of conditions on this Atlantic coast of Canada: "One finds here a land of fruitful valleys, old-world villages and hamlets, a fertile soil, unlimited mineral resources, magnificent harbours and waterways and majestic forest. The West has its 'Lure,' and thousands from all parts of the world are responding to its call, but down in the older provinces of the East are attractions which require only to be made known to be appreciated and availed of. There is here everything necessary for the welfare of industrious, progressive and ambitious people; and it is served by a railroad system second to none in resourcefulness and efficiency. Where to-day the populace is numbered by hundreds, there will in the near future be found room, and considerably more than daily bread and a living, for thousands of contented settlers."

As elsewhere in Canada the spring of 1907 in these regions was cold and wet and protracted. In Nova Scotia Mr. Melville Cumming, Principal of the Agricultural College at Truro, was early appointed Provincial Secretary of Agriculture, and he issued a Crop Report in November, which (putting the average at 100) estimated the yield of hay at 90, that of oats at 100, wheat at 95, barley at 95, potatoes at 110. Dairy products were placed at 15 or 20 per cent. below the average. He estimated the value of the yield of hay at $11,900,000, oats at $1,750,000, potatoes at $2,400,000, other field roots at $212,500, wheat at $288,000, barley at $122,500, and buckwheat at $84,000—a total of $16,857,000. In New Brunswick the cold weather of October did serious damage to the potato crop, valued at an estimated loss of $200,000. In Prince Edward Island the season was a good one; the grain crop said to have been one of the heaviest on record

—oats being almost double the production of 1906, and estimated at 8,000,000 bushels; the hay crop was better than in the past year; and prices for oats, hay and dairy products were high. Official figures of the 1907 acreage and the number of live stock in all three Provinces were available as a result of statistics compiled by the Ottawa Census and Statistics Bureau, under control of Mr. Archibald Blue. Compared with 1901 they were as follows:

Schedule.	New Brunswick.		Nova Scotia.		P. E. Island.	
	1901.	1907.	1901.	1907	1901.	1907.
Land (Acreage)						
Cleared	1,405,615	1,664,911	1,244,275	1,834,802	724,978	763,263
In all crops	894,795	1,087,626	720,166	883,427	447,094	504,228
In orchard	8,734	16,290	32,858	54,051	3,102	5,965
Field Crops (Acreage)						
Fall Wheat	335	2,224	160	1,882	.....	.....
Spring Wheat	26,582	25,946	16,167	18,537	42,274	35,795
Oats	186,760	229,253	90,924	128,777	164,365	176,587
Barley	4,574	5,405	7,679	10,234	4,554	5,489
Rye	188	279	1,015	845	5	65
Buckwheat	73,459	63,541	9,345	18,657	2,990	4,415
Corn in ear	257	615	176	440	37	143
Mixed grains	1,228	5,386	2,896	7,862	6,772	14,195
Beans	705	2,134	792	3,098	32	277
Peas	1,706	2,751	148	1,635	148	644
Potatoes	39,683	50,463	36,290	43,836	33,196	32,573
Turnips	5,704	13,026	4,825	14,494	7,757	8,949
Other field roots	1,366	3,119	1,654	4,970	1,128	1,193
Hay	547,967	667,789	545,931	593,368	181,776	220,018
Corn for forage	665	914	583	1,615	712	735
Other forage crops	3,441	3,038	1,581	4,348	1,301	2,028
Live Stock (Number)						
Horses	55,877	65,784	55,174	63,418	33,358	34,363
Milch Cows	105,992	128,706	127,945	143,362	55,694	53,096
Other Cattle	114,938	130,937	173,757	198,861	56,118	61,156
Sheep	180,626	250,546	278,549	384,940	125,175	111,202
Swine	150,243	97,091	42,015	74,811	47,624	55,005
Poultry	657,333	1,031,583	693,664	1,040,467	568,578	720,787

IV.—MINING, FISHERIES AND FORESTS

General Mining Conditions in Canada during the Year

In 1906 the Cobalt silver boom had been a sensational incident of Canadian mining; British Columbia conditions, which had once been so conspicuously a factor in speculative circles, had subsided into the quiet period of steady production; the formation of the Consolidated Mining and Smelting Company had put the Rossland Camp upon a plane of substantial progress; the Chibugamoo region in the Lake St. John portion of Quebec had come to the front as a point of possible importance in mining production. During 1907 the sensational features of Cobalt development retired into the background of the past and a period of productive activity commenced, which was only held in check by external conditions and labour troubles; British Columbia showed slow and steady progress, while Western winter and other conditions indicated the absolute importance of developing the product of Western coal mines. This latter question was widely discussed in Canada during the strikes and coal famine of 1906-7.

So far as Alberta was concerned its production had been consistently advancing. In 1902 the North-West Territories (which in this respect were synonymous with Alberta) had an output of 346,349 tons;* in 1903, of 510,674 tons; and in 1904, of 782,931 tons. Alberta's product in 1905 was 811,228 tons, and in 1906, 1,385,000 tons. For 1907 the estimated production was 1,841,000 tons. In view of the strikes and the weather the record in the last two years seems to have been a remarkable one. The number of persons employed in these mines in 1906 was 2,800. During the year in this Province a Commission was appointed to investigate conditions surrounding and affecting the Coal industry, and early in August, after hearing many and varied statements and opinions, the Report was issued signed by Hon. A. L. Sifton, Chief Justice of the Province (Chairman), Messrs. Lewis Stockett and William Haysom.

Dealing with the wages of employees the Commissioners found that at the Lethbridge, Taber, Reliance, Consolidated, Domestic, Canada West, Lambton, Frank, Bellevue, Lille, Coleman, Bankshead and Morinville Mines the rates for contract miners ran from $3.00 to $5.20 per day; that ordinary unskilled labour received $2.25 per day, and inside employees of a miscellaneous nature

* Note—From an address by Hon. W. H. Cushing, Minister of Public Works, in Alberta Legislature, Feb. 13, 1908.

from $2.50 to $3.50 a day; that the employees were practically unanimous in favour of payment every two weeks, while the operators preferred monthly payment and that, in view of the different practices in this respect elsewhere and the absence of special local conditions, a fuller inquiry into the matter should be held; that the length of time constituting a working day varied considerably in the mines, with the great majority working between 8 and 9 hours; that the sanitary conditions were good in the larger mines, but that better inspection was needed in the small ones; that the minimum age for employment in the mines should be 16 years; that a few specified amendments to the Coal Mines Act, in connection with accidents and their prevention, were required; that in the question of issuing certificates to miners the men seemed unanimously in favour of the proposal and the owners entirely opposed to it, and that the Commissioners were not prepared to make any recommendation; that the provisions of the existing law for compensation in case of injury to miners was probably fair in theory, but was useless in practice, and the Commissioners recommended a special law providing for special trial of accident or negligence cases. As to the Coal famine of 1906-7 the Commission found the following causes:

1. Strikes in Alberta and British Columbia.
2. Exceptional severity of the weather compelling some of the Mines to close entirely, and others partially, for certain periods; and interfering with the operations of the railways.
3. Lack of storage facilities at central points.
4. Scarcity of mechanics; the fact of many miners having taken up homesteads and working in the mines only during winter; the habit of many miners in keeping holidays and religious days different from and in addition to the legal ones.
5. Lack of sidings for the economical loading and shipment of coal.
6. Lack of sufficient cars furnished by the Railways which caused loss to both operators and men.

The Commissioners recommended strongly the storage of coal during summer by both individuals and Companies; legislation in regard to the erection and licensing of warehouses; Government investigation of the allegations as to lack of sidings; and such legislation as might be possible towards compelling a larger supply of cars to Alberta shippers. Upon the question of a law incorporating Unions the Commissioners declined to express an opinion. Early in March the Dominion Government issued new regulations governing the acquirement of coal-bearing lands in the West; with a view to preventing any further alienation of coal areas to the absolute control of private parties, and also in order to encourage a more prompt development of other areas then open to private enterprise. Speaking as to coal resources in this part of Canada Prof. F. D. Adams, of McGill University, in March of this year, quoted authorities to the effect that " in the district of Lethbridge there are about five and a half million tons of coal

under each square mile; in the district of Blackfoot about nine million tons under each square mile; and at Medicine Hat about four million tons under each square mile." From the coal areas of Alberta, it may be added, Mr. D. B. Dowling, of the Geological Survey, has estimated a possible production reaching the almost inconceivable total of 44,000,000,000 tons of good lignite coal; 20,000,000,000 tons of true coal (below bituminous) and 60,000,000,000 tons of steam and anthracite coal. In the southern part of Saskatchewan he estimated a production of some 26,000,000,000 tons—largely lignite of an inferior order.

Edmonton, the capital of Alberta, is located over a seam of coal, and the district contains enormous quantities of the mineral. There is not yet, however, any marked development outside of providing for the large and increasing local demand. In other parts of Alberta conditions are different. The mines of the International Coal and Coke Company, of which Mr. A. C. Flumerfelt, of Victoria, B.C., was President, showed at the beginning of the year developed coal, not shipped, totalling 1,600,283 tons. The average daily output of these mines—located at Coleman, six miles west of Frank—was 654 tons in 1905, and 1,337 in 1906, with an estimated 1,500 tons in 1907. At Lundbreck, 18 miles from Coleman, the Alberta Coal and Coke Company (of which also Mr. Flumerfelt was President) proceeded in steady development of a rich area of 10 square miles, producing a high-grade domestic coal. The Reliance Coal Company at Taber, the Diamond Coal Company near Lethbridge, the Canadian-American Company at Frank, the Hillcrest Coal and Coke Company near Frank, the West Canadian Collieries at Blairmore, were amongst the concerns which either extended operations or increased their facilities during the year. In September it was announced that Messrs. A. C. Flumerfelt and H. N. Galer had acquired an area of 7,000 acres of coal lands near Lethbridge, and were proceeding with immediate development work under the designation of the Royal Collieries, Limited. In Manitoba development continued at the Souris Coal beds, which were now supplying a portion of the Provincial demand. Mr. William Whyte, of the C.P.R., told the press on Aug. 24th that the Bienfait mine was then turning out 500 tons a day, and that the output would be shortly increased to 2,000 or 2,500 tons per day.

Apart from British Columbia, Ontario and the Yukon, which are dealt with separately, the mining developments of 1907 were not striking, though there was a good deal of steady progress. In Quebec there was much prospecting, some development work and assured evidences of copper, asbestos, iron pyrites, magnetic iron, etc., in the Chibugamoo district. Much was hoped from the northern region bordering on Cobalt in Northern Ontario, though complaints were made as to the high price of prospecting licenses. The leading industry of a mining nature in Quebec is asbestos,

in which 2,500 men were engaged in 1906, with an expected output of 25 per cent. greater in the following year. All the mines were said to pay their operators well. Production of all minerals in the Province totalled $3,755,000 in 1905, and $5,500,000 in 1906. Of this, according to figures given by Mr. J. Obalski, Superintendent of Mines, in 1907, asbestos was the chief item. On Feb. 7 of the latter year a Provincial Order-in-Council classified all minerals, except building materials, as metals, the fee for mining licenses was raised to $10, and new amendments to the Mining Act came into force on March 23rd, by which the maximum area of land granted under a prospecting license, within a radius of 100 miles, was fixed at 25 square miles, or 30 lots of 100 acres each. Not more than 400 acres of mining lands could be sold to any one person in the same year within a radius of 100 miles, and a fee of $10 was exacted for transfers of mining rights. According to a part of the press (notably the Montreal *Herald* of May 27) several enterprising prospectors on a large scale withdrew from operations as a result of these changes and after considerable investment of capital. The following were the chief figures of 1906 mining in Quebec:

Mineral.	Wages paid.	No. of Workmen.	Quantity.	Value (gross).
Copper Ore	$ 95,000	250	32,527 tons	$176,681
Chromic Iron	37,200	110	8,961 tons	91,834
Asbestos	147,600	1,950	61,675 tons	2,143,653
Mica	.....	.....	530,086 lbs.	168,887
Cement	136,000	300	405,103 bbls.	625,570
Granite	238,761	653	51,873 yds.	560,236
Lime	33,500	124	556,000 bush.	96,000
Bricks	300,000	1,462	94,000,000 No.	525,000
Tiles and Pottery	155,882	515	97,710 c. yds.	223,580

Including some small items the total wage paid was $1,829,443, the number of men employed 5,679, and the production over $5,000,000. In New Brunswick some impetus was given during the year to mining by alleged important iron discoveries in Gloucester County, a lease of which was secured by the Drummond Mining Company of Montreal. According to a despatch in the Toronto *Globe* of Nov. 11 tests had shown a depth of 324 feet of solid iron ore. In Nova Scotia the official figures of production are not given in values, but coal is, of course, the chief product, while gold mining has been a good paying business when properly managed. The gold seems to be there, the mines average $6.00 per ton as against the famous formation at Bendigo and Ballarat, in Australia, where $4.00 a ton has been said to pay a fair dividend, and yet the annual output does not average more than a total of $500,000 in value. The latest figures of general production available are those for the year ending Sept. 30, 1906, when the coal raised totalled 5,866,605 tons (an increase of 800,000 tons over 1905), the gold produced was 15,046 ounces,

or a slight reduction; the iron ore was 648,042 tons, as against 73,600 tons in 1905; the coke made was 508,082 tons, or an increase of 259,000 tons; gypsum, 247,840 tons, or an increase of about 50,000 tons; limestone, 400,584 tons, or an increase of 126,000 tons; with some slight production of barytes, moulding sand and copper ore. The amount of coal sold during the three years was, in tons, as follows:

To	1905.	1906.	1907.
Nova Scotia	1,651,735	1,962,206	1,842,419
New Brunswick	411,967	434,882	427,128
Newfoundland	138,120	149,506	146,502
Prince Edward Island	75,136	76,809	77,493
Quebec	1,492,399	1,739,308	1,709,493
West Indies	2,524	.....	2,598
United States	652,538	769,775	616,312
Other countries	50,863	62,104	224,646
Total	4,475,282	5,194,590	5,046,591

The Dominion Coal Company's output in 1906 was 3,553,843 tons and its shipments 3,133,006 tons, as against 3,182,673 tons produced in 1905 and 2,711,500 tons shipped. In 1907 the output was 3,539,753 tons. During February, 1907, an apparently important discovery of tin stone was made near New Ross in Lunenburg County. The metal is not a common one, the world's output in 1905 being only 95,000 tons, of which the Malay Peninsula produced 60 per cent. An assay proved the new mineral to be cassiterite, which is said to be the most valuable of tin ores. The economic value of the vein was, however, not clearly known during the year, though it was said to have a high percentage. Similar discoveries had, of course, been made before in Canada, but not in paying quantities. Passing from local particulars the following table of Canadian mineral production will show the great progress of an industry which had more than doubled between 1895 and 1899, had trebled its output by 1906, and increased the figures by another $10,000,000 in 1907:

Metallic.	1895.	1905.	1906.	1907.
Antimony Ore	.....	.....	.....	$ 65,000
Copper	$ 836,228	$ 7,497,660	$10,720,474	11,478,647
Gold	2,083,674	14,610,395	11,495,201	8,264,765
Pig Iron	.....	1,032,116	1,724,400	1,982,304
Iron Ore	238,070	175,500	149,177	45,907
Lead	531,716	2,676,632	3,089,187	2,532,836
Mercury	2,343	.....	.....	.....
Nickel	1,360,984	7,550,526	8,948,834	9,535,407
Platinum	3,800	500	.....	.....
Palladium	.....	.....	.....	.....
Cobalt	.....	100,000	.....	200,000
Silver	1,030,299	3,617,675	5,659,455	8,329,221
Zinc	.....	139,200	23,800	.....
Total Value, Metallic	$ 6,087,114	$37,400,204	$41,810,528	$42,434,087

Non-Metallic.				
Asbestos	$ 368,175	$ 1,486,359	$ 2,036,428	$ 2,482,984
Chromite	41,300	93,301	91,859	72,901
Coal	6,739,153	17,520,263	19,732,019	24,560,238
Corundum	.....	149,153	204,973	177,922
Gypsum	202,608	586,168	643,294	642,470
Limestone for Flux	32,916	235,108	248,776	298,097
Mica	65,000	178,235	303,913	333,022
Ochres	14,600	34,675	36,125	35,570
Mineral Waters	126,048	100,000	100,000	110,524
Natural Gas	423,032	379,561	583,523	748,581
Petroleum	1,086,738	856,028	761,760	1,057,088
Pyrites	102,594	125,486	169,990	189,353
Salt	160,455	320,858	329,130	342,315
Structural Materials—				
Building Stone, Bricks, Lime, etc.	3,465,000	6,513,925	6,931,236	7,500,000
Cement, Portland	173,675	1,913,740	3,164,807	3,374,828
Granite	84,838	226,305	278,419	.....
Pottery	151,588	120,000	150,000	.....
Sands and Gravels	118,359	152,805	139,712	119,853
Sewer Pipe	257,045	382,000	530,045	1,211,000
Tiles	210,000	260,000	290,000	.....
Miscellaneous	345,679	190,996	220,771	192,644
Total Value, Non-Metallic	$14,168,803	$31,824,966	$36,946,780	$43,449,390
Total Value, Metallic	6,087,114	37,400,204	41,810,528	42,434,087
Estimate of Products Unspecified	250,000	300,000	300,000	300,000
Grand Total	$20,505,917	$69,525,170	$79,057,308	$86,183,477

The changes in production between 1906 and 1907 were varied and general. The great increases were in silver, for which Cobalt was mainly responsible, and in coal. Copper, pig-iron, nickel, asbestos, natural gas, petroleum, Portland cement, all showed a fair increase. The chief decreases were in Yukon gold and in the total of other gold, while lead also showed a decrease. Silver increased 50 per cent. in quantity and 47 per cent. in value, while petroleum also jumped up 38 per cent. in both respects and gold fell by 28 per cent. Coal retained its first place amongst the mineral products of the Dominion and copper took the place of gold as second, while the latter went down to fifth place. As to silver Dominion official returns from 24 shipping mines at Cobalt showed the ore shipped as approximately 14,557 tons, containing 9,914,056 ounces of silver, and, at the average price of refined silver for the year, worth $6,476,555. There was a reduction in the spot value of the nickel matte shipments of the year from $4,628,011 in 1906 to $3,289,382 in 1907, while the wages paid increased from $1,117,420 to $1,278,694, and the number of men employed from 1,417 to 1,660. Of pig-iron the total production in 1907 from both Canadian and imported ores, according to returns from nine companies operating 16 furnaces, was 651,962 short tons, valued at $9,125,226, or an increase in quantity over 1906 of nearly 9 per cent. The production of coal by Provinces in 1907 was estimated by Mr. John McLeish, of the Mineral Resources and Statistics Division of the Mines Department, at

$12,731,830 for Nova Scotia, $3,819,587 for Alberta, $7,611,968 for British Columbia, with small amounts from Saskatchewan, New Brunswick and the Yukon. Alberta showed an increase over 1906 of 23 per cent. and British Columbia of 13 per cent. The total export of mineral products from Canada in this calendar year was $41,500,000, of which the chief items were gold, totalling $8,029,603; copper, totalling $8,742,133; silver, $9,941,849; coal, $4,879,564; nickel, $2,280,374; and asbestos, $1,669,290.

Some mining incidents of the year may be briefly mentioned. The American Institute of Mining Engineers met in Toronto on July 23rd, under the Presidency of Mr. John Hays Hammond, and represented all that was best in United States experience and development. The President, in his address, sounded a note of serious warning against the flotation of worthless mining properties, the over-capitalization of companies, and the undue booming of districts. A large delegation from the gathering visited Cobalt, Sudbury and other mining regions of Northern Ontario. During the year the Mines branch of the Geological Survey Department was re-organized and placed in charge of the Hon. W. Templeman, Minister of Inland Revenue, as Minister of Mines. Mr. A. P. Low, PH.D., the distinguished and recently-appointed Director of the Geological Society—in belated succession to the late Dr. G. M. Dawson—was also made Deputy Minister, and Mr. Eugene Haanel, PH.D., was appointed Director of Mines. Speaking to the Victoria *Times* on Aug. 23rd, Dr. Low stated that the Department was undertaking much new work. An expert had been sent to Europe to investigate the utilization of peat for fuel purposes; another expert was engaged upon a survey of the iron deposits of Vancouver Island; representatives were at work in all the Provinces collecting data for a report upon the Mining industry of Canada; others were at work investigating the mineral areas of Texada Island, the Upper Skeena and the Telqua Valley in British Columbia, the White Horse copper belt and the silver lead region in the Yukon, the Pelly River country in Mackenzie Basin, etc.

Mining in Ontario and at Cobalt during 1907

Though Cobalt has attracted so large a share of public attention in recent years it did not until 1907 become the chief source of mineral production in Ontario. Nickel and pig-iron were in 1906 still ahead in the race. In that year the total production of minerals in the Province was officially placed at $22,388,383, as compared with $17,854,296 in 1905, and $11,572,647 in 1904. The official Reports dealing with production in 1905 and 1906 drew attention to the fact that these figures were based upon selling prices at the point of production; if calculated upon the selling price in a recognized market and as a refined product the value would be far greater. The latter was the method employed by British Columbia and other Provinces and by the Geo-

logical Survey. Adopting this method the values for Ontario in 1906 would have been $33,905,574, instead of a little over $22,000,000.

Iron-ore and its products in 1906 constituted the greatest of Ontario mineral industries, and many believe iron-ore to be its greatest mineral resource. The actual production of ore was not large—only 128,049 tons in 1906, valued at $301,032. North of Sudbury, however, at Moose Mountain on the Canadian Northern, in the Township of Wisner and in the Temagami Forest Reserve, most promising formations and deposits were exploited during 1906 and 1907 and mining operations started. This country was visited by the American Institute of Mining Engineers late in July of the latter year, and reports as to their enthusiastic praise of the vast resources of the region in nickel, copper, and iron-ore filled several columns of the Toronto *Globe's* special correspondence of Aug. 2nd. In the blast furnaces of Ontario there was produced, during 1906, 275,558 tons of pig-iron, valued at $4,554,247. The number of furnaces in operation was five, as in 1905, and they were located at Hamilton, Deseronto, Midland and Sault Ste. Marie. In 1907 the blast furnace at Port Arthur commenced operations in smelting the output of the Atikokan mines and the construction of two new furnaces by the Hamilton Steel and Iron Works Company was well under way. Of nickel the output in 1906 was the largest on record. The producing Companies in Sudbury—the greatest nickel region in the world—were only two in number, the Canadian Copper Company and the Mond Nickel Company. The former shipped ore for final processes to New Jersey and the latter to Wales. The Mineral production of Ontario in 1902 was $13,391,634; in 1905, $17,854,296; in 1906, $22,388,383; in 1907, $24,697,775. The detailed figures in three of these years were as follows:

Metallic.	1902.	1906.	1907.
Gold	$ 229,828	$ 66,193	$ 66,399
Silver	58,000	3,689,286	6,155,165
Platinum	.....	5,652	.....
Palladium	.....	.....	.....
Cobalt	.....	80,704	104,426
Copper	680,283	960,813	1,045,511
Nickel	2,210,961	3,839,419	2,271,616
Iron ore	518,445	301,032	482,532
Pig iron	1,683,051	4,554,247	4,716,857
Steel	1,610,031	.....	.....
Lead ore	.....	.....	.....
Pig lead	.....	93,500	.....
Miscellaneous	11,900	6,000	.....
	$7,002,499	$13,596,846	$14,842,506
Less value Ontario iron ore, smelted into pig iron, and pig iron converted into steel	745,000	243,766	282,702
Net metallic production	$6,257,499	$13,353,080	$14,559,804

Non-Metallic.	1902.	1906.	1907.
Brick, common	$1,411,000	$2,127,000	$2,108,891
Brick, pressed	144,171	337,795	648,683
Building and crushed stone	1,020,000	660,000	675,000
Carbide of calcium	89,420	162,780	173,763
Cement, natural rock	50,795	6,000	5,097
Cement, Portland	916,221	2,381,014	2,718,278
Corundum	83,871	262,448	242,608
Lime	617,000	496,785	423,863
Mica	102,500	69,041	82,929
Natural gas	199,238	533,446	756,174
Petroleum products	1,431,054	761,546	1,049,631
Pottery	171,325	65,000	54,585
Quartz	.....	65,765	124,148
Salt	344,620	367,738	379,771
Sewer pipe	191,965	279,620	242,588
Tile, drain	199,000	252,500	248,000
Miscellaneous	161,905	176,825	203,961
Total non-metallic production	$7,134,085	$9,035,303	$10,137,970
Add metallic production	6,257,499	13,353,080	14,559,804
Total	$13,391,584*	$22,388,383	$24,697,774

One of the features of 1907 mining in Ontario was the Larder Lake boom. It succeeded Cobalt, and was for a time the happy hunting ground of unscrupulous mining brokers and the cause of much rash speculation. Gold has never even approached a considerable output in this Province, and latterly has decreased its limited production—the value of the product in 1902 being only $229,828 and in 1906 $66,193. In the latter year, however, Dr. R. Reddick, of Winchester, with three other prospectors, claimed to have discovered that the region around Larder Lake was highly mineralized in gold, silver and copper, and at once staked a number of claims and floated a joint stock company. Larder Lake lies about 34 miles north of the head of Lake Temiskaming and about 3 miles west of the Quebec boundary line. The first exploration of the region was by Prof. W. G. Miller, Provincial Geologist, in 1901, and in his Report he called attention to the possibilities of the country. In 1904 Prof. W. A. Parks, of Toronto, expressed the opinion that it was worth prospecting for gold. During 1906, in addition to Dr. Reddick and his party, many other prospectors were on the ground, and during the winter there was a stampede of miners to the place, with a result of some 4,000 claims being recorded and an unlimited number of stories unfolded to the public. By the close of 1907 Larder City was a mining town of uncertain population, estimated as high as 400 souls, with a surrounding population of two or three thousand. A Mining Recorder had been appointed and the Toronto *World* on Oct. 3rd published statistics of local properties visited by its correspondent as follows:

* NOTE—There appears to be an error in the addition of this total in the Bureau of Mines Report, 1907, where it is given as $13,391,034.

Name of Property.	No. of Claims.	Acreage.	Men Employed.	Camp Bldgs.	Machinery.
Chesterville	3	107	9	4	
Lucky Boys	20	800	8	..	
Reddick	7	208	12	5	30 horse-power boiler, 2 drills on ground.
Kerr-Loudon-Addison	6	240	6	..	20 stamp mill at Beston.
Proprietary	37	1,100	32	10	Five stamp mill on the ground.
Barnard's Point	2 and island	80	2	3	25 horse-power boiler, hoist, drills, etc., on ground.
Tighe-Larder	38	1,520	15	4	
Gold King	2	75	2	1	
Harris-Maxwell	2	72	11	1	Ten stamp mill ordered, 60 horse-power boiler ordered.
Richardson	3	92	2	1	
Blue Bell	27	1,080	15	5	

There were two very pronounced sides to the question of Larder Lake conditions. The optimistic view was clouded by the ever-present boomster, the inflated newspaper advertisement, the wild-cat broker prospectus. A Toronto *Mail* article on Sept. 17th described it as destined, in the opinion of the mining men, to become "the most wonderful gold-producing country in the world"; the Von Hazen Exploration Company was reported in February to be shipping gold in carloads to a New Jersey smelter; the country around the Lake was soon staked to the extent of 20 miles, with a Canadian record in the number of claims; the Toronto *Globe* correspondent on Mar. 16th said he had never met a man who had been at the goldfields and did not believe in their reality and future; samples assaying largely in gold were being steadily brought into Toronto and other places, and a New Liskeard assayer (W. J. Urquhart) stated in March that the ore in one claim ran $514.80 in gold, $49.10 in silver, and $116.64 in copper to the ton; mining brokers and visitors returned with all kinds of stories of wealth, such as "numerous veins already discovered bearing free gold, gold in nuggets and lumps," or statements of alleged assays running hundreds of dollars to the ton, or a declaration that "the extent of the gold-bearing belt is at least ten miles," or the story that "gold was sticking right out on the surface"; the press was more than optimistic, and the Toronto *News* of May 2nd had a heading which described "streams of gold" as coming from Larder Lake; in May there were some 17 companies incorporated for this region, and in July they numbered 41, with a capitalization of $46,200,000.

Amongst these concerns the Law and Company enterprises were very prominent—the Blue Bell, Lucky Boy and Highland Mary Mines as they were called. This brings us naturally to the other side of the story. Early in the year an Ottawa syndi-

cate was formed as a result of beautiful samples of gold being exhibited at the capital, and some 70 prominent local men were said to have put up $1,000 each. An expert geologist from Montreal, with Alex. McDonald, the famous Klondyke miner, took up a staff of men to investigate conditions. The result of assays, after ten days' work, was two samples averaging 15 cents to the ton and, on Feb. 11th, it was stated that the syndicate had disbanded. The Toronto *News* correspondent on Mar. 1st declared the recording in this region to be absolutely reckless, and claimed that the law as to discovery was freely broken through perjured statements. As a matter of fact no mining authority during 1906 or 1907 expressed more than the most guarded opinion regarding the future of the district; and there seems to have been a general impression in these quarters that if Larder Lake ever did become a proved or productive mining district it would only be after much money had been expended in exploration and the erection of plants. According to the *Canadian Mining Journal* of November, 1907, the region would never be anything but a low-grade camp at the best, and preliminary developments and work would take at least three years. Some rather severe comments followed in this periodical as to brokers and promoters obtaining the money of speculative investors under false pretences. "Of the thousands of dollars subscribed by the public to develop Larder Lake mining claims by far the greater part has been divided between the newspapers and the promoters."

In this connection a word must be said of the prosecution initiated by the Provincial Secretary's Department in Toronto against the local firm of wild-cat brokers called Law & Company, which had used up so many pages of newspaper advertising for their flotations. On Nov. 19th Law, who had a few years before been a barber in Montreal and then a life insurance agent, was arrested on a charge of conspiracy to defraud the public. The case was not disposed of at the time of writing (February, 1908). During 1906 the number of employees in all Ontario mines was 12,551 and the wages received were $6,048,328, as compared with 11,151 in number and $5,082,653 in amount during 1905. The moneys received by the Ontario Government from mining sources in 1906 totalled $250,121, of which $118,244 was from sales, $70,256 from licenses and fees, and only $15,000 from royalties. The provision in the Mining Act making it necessary for a prospector to hold a Miner's license before having the right to stake out mining claims on Crown lands was modified in the Session of 1907 by reducing the license fee from $10 to $5 and to $3 after the 1st of October following. Of Mining Companies 263 were organized and incorporated in 1906, with a nominal capital of $184,677,000, as against 99 in 1905, with a capital of $27,509,000. Cobalt was, of course, responsible for much of this expansion. Under the new law of 1906 Mining Divisions were

created throughout the Province, and at the beginning of 1907 were as follows:

Division.	Name of Recorder.	Address.
Temiskaming	George T. Smith	Haileybury.
Coleman	T. A. McArthur	Cobalt.
Sudbury	F. F. Lemieux	Sudbury.
Sault Ste. Marie	S. T. Bowker	Sault Ste. Marie.
Port Arthur	J. W. Morgan	Port Arthur.
Kenora	C. W. Belyea	Kenora.
Fort Frances	Deputy Minister of Mines	Toronto.
Parry Sound	H. F. McGuire	Parry Sound.
Larder Lake	J. A. Hough	Larder Lake.
Montreal River	A. Macphail	Latchford.
Temagami Forest Reserve	Deputy Minister of Mines	Toronto.
Mississauga Forest Reserve.	Deputy Minister of Mines	Toronto.

Turning to the much-discussed Cobalt field we find that official figures of ore shipped in 1904 showed 158 tons, valued at $136,-217; in 1905, 2,144 tons, valued at $1,473,196; in 1906, 5,335 tons, valued at $3,764,113—a total of 7,637 tons and $5,373,526. The estimated and unofficial figures for 1907 totalled 14,082 tons at $5,650,000. The average value in the three years was $704 per ton; and of these shipments silver was the main product; nickel only reaching a value of $13,467; cobalt of $200,664 and arsenic $19,454. In most cases no assays were made of anything but silver, though under future conditions of development the subsidiary products would certainly be found valuable. The chief purchasers of the ore were the American Smelting and Refining Company, Perth Amboy, New Jersey; the Balbach Company of Newark, N.J., and the Orford Copper Company of Copper Cliff, Ont. During 1907 the Montreal Reduction and Smelting Company at North Bay and the works of the Canadian Copper Company at Copper Cliff became available.

This matter of smelting facilities was very vital to mining prosperity. Being so entirely in the hands of United States concerns conditions in Cobalt were at times made subsidiary to demands and considerations of a "nearer home" character. Owing to distance and transportation causes, also, it was estimated that for every dollar of ore shipped half-a-dollar was thrown on the dump in the form of side products and low-grade ore. During 1907 various plants were either projected or partly constructed, and amongst them were the German-Canadian Smelting and Refining Works, in which the new German process of treating ore was to be used; a local organization called the Cobalt Concentrators, Limited, for the purpose of supplying and building and installing ore-concentrating machinery; the Del Norde Company, an Arizona corporation with a capital stock of $10,000,000, and a proposed smelter at Ville Marie on Lake Temiskaming; the Salt Lake Smelting and Refining Co., a local Cobalt enterprise; the smelter belonging to the Silver Queen Mining Co.; the North

American Cobalt Refining Co. at Thorold; the gold-arsenic extraction works of the Deloro Company in Hastings; the North Ontario Reduction and Refining Co. at Sturgeon Falls. The following table of dividend-paying mines at Cobalt—excluding the La Rose Mining Co., the Kerr Lake Co., the Drummond Mines, Limited, and the O'Brien Mine, which were practically close corporations, and whose estimated profits since 1904 were considerable—is extracted from the official Report of Mr. T. W. Gibson, Ontario Deputy Minister of Mines:

Name of Company.	Amount of Capital Stock authorized.	Amount of Capital Stock Issued.	Par Value of Shares	Total Dividends and Bonuses declared up to 31st Dec. 1906.	Dividends and Bonuses declared in 1907.
	$	$	$	$	$
The Buffalo Mines, Limited	1,000,000	900,000	1	27,000	81,000 00
The Coniagas Mines, Limited	4,000,000	4,000,000	5	none	200,000 00
Cobalt Silver Queen, Limited	1,500,000	1,500,000	1	none	120,000 00
Foster-Cobalt Mining Company, Limited	1,000,000	900,000	1	45,000	none
McKinley-Darragh-Savage Mines of Cobalt, Limited	2,500,000	2,200,000	1	none	44,000 00
The Nipissing Mining Company, Limited	250,000	250,000	100	950,000	400,000 00
The Right of Way Mining Company, Limited	500,000	499,518	1	none	34,923 40
Temiskaming and Hudson Bay Mining Company, Limited	25,000	8,110	1	746,120	none
Trethewey Silver-Cobalt Mine, Limited	1,000,000	945,450	1	37,818	37,818 00
				$1,805,938	$917,741 40

Despite the growing production and the inflated period of stock-booming, now passed away, the silver-bearing area of the Cobalt district seems to be comparatively small; according to Dr. Robert Bell, in 1907 it did not exceed some 15 square miles with a centre about 3½ miles west of Lake Temiskaming. There can, however, be no doubt of the mineralized nature of the whole region; except as to the vital points of quantity and quality. Speaking at the annual meeting of the Bank of Commerce (January, 1907), Mr. B. E. Walker said that "the richness of the ore (at Cobalt) is indisputable and it is evident that there is a great deal of it." Messrs. Wills and Company, of Toronto, in their third annual letter to the press (Jan. 4, 1908) gave particulars of nearly all the 40 working or shipping mines of Cobalt and declared their belief that low-grade ore would prove the life of the camp and that many mines should prove dividend payers for many years to come. The Toronto *World,* which had steadily eulogized and advertised Cobalt from the start, declared in an elaborate front page article on Jan. 10 that it was more convinced than ever that this was "the greatest silver mining camp in the world." Mr. A. P. Low, Director of the Geological Survey, told the press on Jan. 17th that "there is ore in sight sufficient to produce millions"; but he warned the public against over-capitalization.

Speaking on May 23rd to the Toronto *Telegram,* Mr. W. Hamilton Merritt, a Toronto mining engineer of repute, stated that Cobalt was one of the few mining points in Ontario that he had not visited professionally. "My glance at it has been most cursory and superficial, still I have no hesitation in saying in connection with the occurrence of the ore that while there are, in common with all veins, zones of enrichment and impoverishment, the camp thus far developed is in the aggregate the highest grade of mineral concentration that I have ever seen anywhere." Along still more flattering lines was the comment of a special correspondent despatched by the London *Investors' Guardian* to investigate Cobalt conditions. He reported (Oct. 12) that the future prosperity of Companies near the Lake was assured. "This Northern Ontario Camp will be the greatest silver mining camp which has ever existed, and the easy and economic methods of mining which are practicable will permit the payment of large dividends to the shareholders of these mines. In this respect they form a marked contrast to the silver mining conditions in the Western States, where shafts of 1,000 feet or more in depth had to be sunk before the ore was reached."

During the summer a strike of the miners took place and caused inconvenience and decreased profits to the owners without, however, actually tying up the camp or stopping operations. It was claimed by the owners that wages running from $2.50 to $3.25 per day were paid, and were equal to those given in British Columbia when the difference in cost of living was allowed for, and that the trouble was really one of recognizing the Unions or, in other words, the Western Federation of Miners, and this they positively refused to do. Until this latter body interfered they claimed that harmony was general and sincere, and that even when the strike occurred 50 per cent. of the miners did not know what it was for and were certainly not members of the Western Federation. It was sanctioned by a meeting of 250 men—only a small proportion of the employees. By July 18th the miners' schedule of wages was practically adopted, together with the nine-hour day, by a dozen of the chief companies in Cobalt, but they refused to recognize the Unions, and the managers claimed in a letter to the Department of Labour that: "The entire difficulty has arisen through the incendiary utterances of professional agitators who have no stake in the community and who have not the interests of the community or the workers at heart, but whose sole interest is to earn their living by agitating—they have been specially imported for that purpose." On Aug. 7th about 600 men were idle in camp, and some 1,500 were said to have left for other and greener fields. By the autumn the strike had worked itself out; agitators, such as Roadhouse, had been dealt with by the Courts for violence in differing degrees, and work was fully resumed though with a shortage in skilled labour. The Federa-

tion, while forcing a slightly higher scale of wages, does not appear to have received any definite recognition or to have obtained a stronger place in the community.

The Cobalt Lake Mining Company was the principal local concern in the public eye during 1907. For something over a million dollars they had purchased the bed of the Lake from the Provincial Government in 1906 and proceeded steadily with development work during the year following. Ottawa and Toronto interests were supreme in its control with Sir H. M. Pellatt as President; G. F. Henderson, of Ottawa, Vice-President; and D. B. Rochester as Managing-Director. On Feb. 4th it was announced that a vein of native silver had been discovered in a part of the property. Shafts were started, machinery ordered, plants put in operation, buildings erected, preliminary work in tunnelling under the Lake done, and development generally proceeded with, despite the suit hanging over the heads of the Company. The Florence Mining Company in this case claimed that before the property was withdrawn from prospectors by Order-in-Council of August, 1905, and sold to the present owners and a patent issued, their Company, or its promoter, had made discoveries and established a title. The Provincial Government heard the appeal and declined to act upon it, as the discoveries were said to have been made in March, 1906, at a time when knowledge was general as to the Government's action in the matter. In the Legislature on April 5th the Attorney-General (Mr. Foy) introduced a measure, which afterwards became law, for the purpose of giving an absolutely clear title to those who had paid $1,085,000 for this property.

Meantime the Florence Mining Company (including James McLaughlin, of Owen Sound; W. E. Stanley, of Lucan; W. Southam and P. D. Ross, of Ottawa; George Gordon, of Gache Bay; and W. J. Green, of Toronto) filed a petition through their solicitors, J. M. Clark, K.C., and James Baird, asking the Government for further investigation and consideration and for a grant of the lands under the Lake in accordance with the general law as to first discoveries of valuable ore. It was claimed that Mr. W. J. Green had carefully studied the region in question; had acted under the regulations of the Crown Lands Department, and with a full knowledge on its part of his discoveries; and had asked to have his claims recorded before any public intimation had been made as to withdrawal of the property from prospecting. When this was refused the Company asked for disallowance of the Legislature's action in a petition to the Governor-General-in-Council. On Aug. 31st Mr. J. J. McConvey, on behalf of some discontented shareholders in the Cobalt Lake Company, entered suit for $2,540,000—the difference between the money paid for the property and the capital stock of the Company. Neither matter had come to any conclusion at the end of the year.

Cobalt incidents in 1907 were varied and important. On Jan. 10th it was announced that the Provincial Government had accepted a tender of $178,500, in addition to a royalty of 10 per cent. on the gross value of ores mined, for the unalienated portion of the bed of Kerr Lake—an area of 23 acres. There were six other tenders; and a little later the Legislature included the Kerr Lake property in its Act validating the title in Cobalt Lake. On April 4th, after being in the Courts since July, 1905, the Lawson case involving ownership of the celebrated mine of that name in the Kerr Lake district, and estimated to be worth $5,000,000, was settled at Ottawa without a decision by the Supreme Court. Under this arrangement John McMartin, of Cornwall, received three-fourths of the mine, and the other quarter was divided between C. Millar and S. R. Clarke, of Toronto, and T. Crawford, of Cobalt, while the three prospectors got $25,000 each. Rumours as to a huge merger of Cobalt interests, under the control of Mr. McMartin, President of the La Rose Mining Company, were dealt with by that gentleman in the Toronto *Globe* of April 19, as follows:

> We are re-organizing and consolidating all of our interests at Cobalt into one corporation, with a capital of $6,000,000, divided into shares of $1 par. This has become necessary by reason of the gigantic development of this business in the past three and a half years, and the necessity of organizing every department of it under management of the best talent we can procure. You will understand this when I say that we have to-day blocked out at least $15,000,000 worth of ore above the 100-foot level. The other properties in the merger are a 90 per cent. in the University Mine, in which we have opened up splendid bodies of very rich ore since we acquired it last October, and upon which development is being vigorously pushed; the Silver Hill group, consisting of 120 acres adjacent to the Temiskaming Mine and the Eplitt and Wallace, containing 80 acres in the same district; the Princess, 40 acres, close to the McKinley-Darragh; also a valuable group consisting of 200 acres, in the Wendigo Lake district.

The Foster-Cobalt Mining Company, at a special meeting on June 27th, decided to issue $100,000 treasury stock at 75 cents for purposes of development work. Messrs. J. R. Booth, of Ottawa, and W. H. Fisher, of Montreal, were added to the Directorate. According to a statement issued on March 11 the Nipising Mines Company, in the eleven months since May 1, 1906, had cleared a net profit of $886,094 which, added to the existing surplus of $624,628, had enabled it to pay dividends of $1,000,000 and retain a large surplus in hand. The value of its production for the year was stated at $1,023,903, the quantity to be increasing, the property better equipped, and conditions for a larger product generally improved. One-half the capital stock of $12,000,000 was retired, as it had never been issued. During the visit of the American Mining Institute, on July 31, special attention was given by experts to this mine and the press reports indicated a high opinion of its resources. The statement at the annual

meeting of the Trethewey Silver-Cobalt Company on Nov. 25 showed a surplus of $124,522 and active operations in progress; the Green-Meehan Mining Company at its meeting on Nov. 9th decided to cancel the $1,000,000 of shares then in treasury.

During the year many visitors of note, and capitalists of notoriety, visited the camp. A party from New York and Boston were there early in April; 160 members of the American Mining Institute late in July; a party of United States business men late in August; another group of visitors from Peoria, Ill., in the middle of October. Criticism was evoked during the year by the active mining and blasting operations going on, not only around but within the town of Cobalt, and by the danger to citizens from the use of dynamite—one man being in fact killed by an accident from this source. The Toronto *Globe* of Sept. 13 was concise and complete in a condemnation of the town as unsightly, unsanitary in the extreme, and honeycombed with shafts and tunnels. Meanwhile there were various echoes of the "slump" in Mining stock following upon the Nipissing and Guggenheim affair of 1906. The world-wide troubles of the year also affected conditions in Cobalt and helped further to prick the inflated bubble of Toronto Mining stocks. Mr. E. P. Earle, President of the Nipissing Company, told the press on June 15th with much truth: "Over-capitalization is the chief trouble with a number of mining companies in the Cobalt district, and it is beginning to dawn upon various promoters, who have been giving the public gold-bricks, that this thing has got to be stopped. I have been informed that the total capitalization of concerns organized in the Cobalt camp in 1906 was nearly $300,000,000 and whose net earnings would not exceed 1 per cent. of this total." The *Monetary Times* figured the capitalization up to March 23, 1907, as $365,515,000. The months of October and November, 1906, saw the greatest inflation and the first six months of the following year a steady decline to conditions more nearly approaching actual values. According to the Toronto *Telegram* of June 8, 1907, the following table illustrated this interesting rise and fall:

Stocks.	Sept. 1906.	Oct. 1906.	Nov. 1906.	Dec. 1906.	Jan. 1907.	Feb. 1907.	Mar. 1907.	Apr. 1907.	May 1907.	June 1907.
Buffalo	....	2.30	3.80	3.50	3.00	3.00	2.00	2.00	2.25	2.00
Coniagas	....	....	....	....	4.50	4.00	4.20	4.70	4.20	4.15
Foster	1.60	3.01	3.95	3.00	2.68	2.32	2.13	1.68	1.35	.85
Green-Meehan	....	....	....	1.49	1.44	1.28	.94	.75	.70	.45
McKinley	....	3.30	3.50	2.25	2.25	2.00	1.65	1.61	1.47	1.00
Nipissing	9.00	24.00	29.00	15.00	14.00	12.00	12.00	13.25	13.00	12.25
Silver Leaf	.08	.21	.24	.20	.22	.18	.16	.15	.14	.09
Silver Bear	.40	.37	.30	.42	.25	.38	.20	.20	.20	.20
Silver Queen	....	1.53	3.10	2.50	2.38	2.21	2.02	1.72	1.48	1.05
Trethewey	....	1.50	1.85	2.06	2.04	1.65	1.44	1.36	1.27	.73
University	....	14.00	18.25	14.00	10.50	9.50	9.75	9.00	5.00	4.70

Various discoveries were made and many more alleged to have been made in Cobalt, and around it and far beyond it, in regions ranging over 200 miles north of the famous Lake. Gold, silver, cobalt, copper, lead and iron, were found, or so it was stated, and

some 50,000 claims had been prospected by entry in May, 1907. All through this region of New Ontario—at Portage Bay, in the Temagami Reserve, around Elk Lake, Larder Lake and Lake Abitibi, up the Montreal River, miners streamed as to a new Eldorado. Rumours as to new "finds" were inexhaustible and a few of the better-vouched-for may be mentioned. A vein of silver about two feet wide was said in March to have been discovered on the claims of the Hudson-Cobalt Mining Company near New Liskeard; in February a 10-inch vein of native silver was found running from the Nipissing property into Cobalt Lake and was said to assay about 8,000 ounces to the ton; about the same time discoveries were alleged in the Victoria, the Cobalt Chief, the Dufferin and the Green-Meehan; in March the Cleveland-Cobalt people were stated to have found a calcite and slate vein in alternate layers of about 30 inches wide; and a vein of native silver 12 to 14 inches wide was said to have been discovered on the North-Cobalt claim; a fine vein of calcite was discovered on the Peterson Lake property and rich strikes of native silver made on the Temiskaming and Hudson's Bay mine and the Right of Way mine.

Nipissing was reported in April to have opened a new ten-inch vein of native silver which, in spots, was solid silver; and the Erie-Cobalt Company alleged discovery of a third vein of calcite in its mines during June; the Trethewey people were said to have found new and rich veins on their property. Elsewhere than around Cobalt the discoveries were varied. Copper and gold were found on the Temagami Reserve in quantities of a value not settled during the year; the Montreal River region rivalled Larder Lake as an attraction to prospectors and speculators. Lying 25 miles west of Cobalt and extending from near Lady Evelyn Lake to Elk Lake, on the Montreal River, the country had similar geological conditions to those of Cobalt and the deposits were found to carry cobalt bloom and smaltite with native silver and other minerals. During the spring 1,200 canoes and 3,000 men were estimated to have gone up into this region and, despite the many "snow-stakings" and fraudulent claims, much real development work was done. There seemed no doubt of the mineralized character of the district or as to the possibilities of a rich future. Transportation facilities, however, were badly needed. In August further gold veins were said to have been discovered in the Temagami Reserve. No publicity was given during the year to the Ontario Government's policy or operations in the Gillies Limit, which had been reserved for Government operation a couple of years before. Rumours of large offers for the right of utilizing its supposed riches were heard of, but if made they were declined. Mining operations were carried on but no ore was shipped. Some of the prominent Mining Companies in this New Ontario country—including Cobalt—with their Presidents, were as follows during 1907:

Company.	President.	Headquarters or address.
Nipissing Mines Co.	Ellis P. Earle	New York.
Keewatin Silver-Cobalt Mining Company	Howard Carroll	New York.
Columbus-Cobalt Mining Co.	John Flett	Toronto.
Erie-Cobalt Mining Co.	J. H. Jewell	Toronto.
Strathcona Silver Mining Co.	R. T. Mullin	Montreal.
Red Rock Mining Co.	George Wood	P'ghk'psie, N.Y.
Kerr Lake Crown Reserve Co.	Lt.-Col. John Carson	Montreal.
Coniagas Mining Co.	R. W. Leonard	St. Catharines.
La Rose Mining Co.	John McMartin	Cornwall.
Dr. Reddick Larder Lake Mines Limited	Lt.-Col. S. M. Rogers	Ottawa.
Buffalo Larder Lake Mining Co.	J. H. Jewell	Toronto.
Can. Pac. Cobalt Development Co., Limited	J. K. Paisley	Ottawa.
City of Cobalt Mining Co.	Thomas Birkett	Ottawa.
British-American Cobalt Mines, Limited.	W. A. McKay	Montreal.
Silver Leaf Mining Co.	A. G. Browning	North Bay.
Cobalt Silver-Queen, Ltd.	Lt.-Col. J. I. Davidson	Toronto.
The Drummond Mines, Ltd.	G. E. Drummond	Montreal.
The Ruby Silver Mining & Development Co.	W. Scott Hutchinson	Montreal.
McKinley-Darragh-Savage Co. of Cobalt, Ltd.	F. B. Chapin	Toronto.
Foster-Cobalt Mining Co.	John Gowans Kent	Toronto.
Trethewey Silver Mines Ltd.	Alex. M. Hay	Haileybury.
Cobalt Lake Mining Co.	Sir H. M. Pellatt	Toronto.
Right of Way Mining Co.	T. A. Beament	Ottawa.
Lumsden Mining Co.	John Lumsden	Ottawa.
Green-Meehan Mining Co.	Clement A. Foster	Haileybury.
Hudson's Bay Cobalt Mining Co.	J. K. Lindsay	
Larder Lake Proprietary Gold-Fields Co.	Dr. Sterling Ryerson	Toronto.
The Buffalo Mines Limited	C. L. Denison	New York.
Cleveland Cobalt-Silver Mines, Limited	J. M. Smith	Toronto.
Kerr Lake Mining Co., Ltd.	Ed. Steindler	New York.
Nova Scotia Silver-Cobalt Mining Co.	D. M. Steindler	New York.

Mining in British Columbia during 1906-7

This great basic industry of the Pacific Province prospered upon the whole during 1907 and its product exceeded that of 1906, which had been a record year in British Columbia mining. Up to and including 1906 its total mineral product had been $273,643,722, of which placer gold totalled nearly $69,000,000, lode gold $41,000,000, silver more than $25,000,000, lead over $17,000,000, copper more than $35,000,000 and coal and coke $79,000,000. In 1890, however, production had gone down to $2,608,803; in 1896 it was better, but still only $7,507,956; in 1906 it was $24,980,546, or an increase of $2,500,000 over 1905 and of $6,000,000 over 1904. The main producing Districts in 1906 were Cariboo with a total of $405,400; Cassiar, $555,599; East Kootenay, $5,171,024; West Kootenay, $4,660,352; Lillooet, $20,314; Yale,

$8,779,711; Coast, $5,388,146. In West Kootenay the chief Division was Trail Creek with a product of $3,223,587; in Yale the Osogoos, Grand Forks and Greenwood Divisions yielded $8,689,-470; on the Coast, or Vancouver Island, the chief divisions were Nanaimo, Alberni, Quatsino and Victoria.

Mining holds the foremost place in British Columbia industries and, according to the Victoria *Colonist,* the ratio in 1906 of production and value was as follows: Mining, $25,000,000; manufactures, $11,000,000; lumbering, $9,500,000; agriculture, $8,000,000; and fisheries, $8,000,000. In that year the production of copper and coal was the largest on record. Of the coal production of 1,899,076 tons (2,240 lbs.) there was sold for consumption in Canada 681,889 tons and for export to the United States 679,829 tons. For colliery use the total was 552,189 tons and the stocks on hand at the first of the year had been 30,456 tons. The number of hands employed was 4,805, of whom 86 were Japanese, 774 Chinese, and 55 Indians and Hindus. As to values the production of 1906 included placer gold, $948,400, and lode gold, $4,630,639; silver, $1,897,340, and lead, $2,667,578; copper, $8,288,565, and zinc, $17,100; coal, $4,551,900 and coke, $996,135. In 1907, except for a shortage of coke and certain inevitable and irrepressible labour troubles, general conditions were good, the industry upon a stable footing and credit steadily growing. Mr. W. Fleet Robertson, Provincial Mineralogist, gave an official estimate of $25,738,982, or an increase of $750,000 in the year's product. There was a heavy increase of over two millions in coal and coke which made up for the reduction of $1,500,000 in certain metalliferous products. Mr. Robertson's estimate included placer gold, $700,000, and lode gold, $4,129,246; silver, $1,852,-320, and copper, $7,678,453; lead, $2,318,864; coal, $6,498,100, and coke, $1,362,000.

Vancouver Island attracted considerable attention during the year in mining circles. Its coal production was already largely known, and the fact of a more or less special C.P.R. interest in the Island development added to this attention. It was found that well-marked copper and hematite iron zones existed on Quatsino Sound; at Nootka Sound extensive areas of crystalline marble of great purity and good quality were discovered; zinc blende, carrying 20 to 25 ounces to the ton, was found at Hesquiot Harbour and, at Sydney Inlet, 10 miles further south, ore was discovered containing 17 per cent. copper; at Clayoquot, on the west coast, were many claims containing iron and copper pyrites; while at Barkley were claims showing copper pyrites, gold, and silver. This whole region was heavily mineralized with iron pyrites and pyrrhotite. Around Victoria, the capital, some people from New York (said to be the Guggenheims) obtained options on a number of mineral claims, at a place called Sooke, and said to contain copper-gold

ores. Of course, mining on the Island had to face varied conditions of more or less inaccessibility, and it was apparent that the best and most modern machinery would be needed for its development. Various options for mining purposes were acquired during the year and each excited public interest as being one more evidence of investment and work.

Mining incidents elsewhere included mineral discoveries and work on the Portland Canal of Boundary fame; the extension of the work of the Guggenheims—the New York mining capitalists—in Atlin and Cariboo as well as in the Yukon; the discovery and acquisition of extensive copper, coal, gold and silver propositions on the Queen Charlotte Islands—one of the coal fields being described by Mr. D. R. Young, of Victoria, as containing a seam of anthracite 8 feet wide with a 14-foot seam of fine coking coal also; the exploiting by an American syndicate of Valdes Island, in the vicinity of Vancouver Island, and in which the ore bodies of copper were described as very rich. Mr. O. B. Perry, General Executive head of the Guggenheim interests on the Pacific Coast, was at Vancouver on June 13th and told *The Province* that their relations with the Government were quite friendly and that there was really no trouble—as had been alleged—over the Provincial title in their placer claims. "Our operations in British Columbia and Western Canada," said Mr. Perry, "are as yet only in the initial stages. We are only beginning, but as far as we have gone everything we have done has justified our expectations and our expenditures."

The greater British Columbia mining interests seem to have prospered during 1907. The British Columbia Copper Company, with its newly increased capital of $3,000,000, was in active operation of important copper mines at Greenwood, and added largely to its furnaces and plants so as to bring the total production up to 2,500 tons daily. Additional property was acquired and early in the year Mr. Colgate Hoyt, of New York, was elected President and the management of the Company generally re-organized. On July 18th a first dividend of over $200,000 was paid by this Company. Its "Northern Lode" Mine, which had produced 5,340 tons of ore in 1900, increased the amount to 105,900 tons in 1906 and up to the middle of 1907 the production was 122,000 tons, with a total output of 960,544 tons since operations began.

In July the Consolidated Mining and Smelting Co. acquired the Phœnix Camp. This large concern, operating and owning the Trail Smelter, the Centre Star and War Eagle group of mines at Rossland, the rich St. Eugene lead-silver mine at Moyie, besides those acquired at Phœnix, had paid for some time dividends of 10 per cent. on its capital of $5,000,000 invested in the Kootenays. It was estimated that the operation of its properties entailed expenditures of $3,500,000 per annum, apart from the purchase of ores, with a wage bill of $1,750,000 a year and the employment

of some 1,500 men. The Granby Consolidated—one of the world's great copper companies—despite difficulties of coke shortage, high prices, etc., had a prosperous year. It was running seven out of its eight furnaces, smelting an average of 3,100 tons daily during a portion of the twelve months and earning, when copper was at 22 cents, about $27 a share on its outstanding stock. Mr. G. L. Walker, Editor of the Boston *Commercial,* told the Spokane press on August 24th that: " Aside from the big mines of Lake Superior and the Utah Copper and Boston Consolidated Companies, with their tens of millions of tons of milling porphyry, there is no other big copper producer in the world which is so little a mining and so much a manufacturing business. Granby's ore is remarkably uniform and it is as nearly self-fluxing as ore can be. As it exists in practically unlimited quantities, therefore the only question and greater capacity. In October the Company declared its 8th regular quarterly dividend of $405,000, or a total of $2,968,-630 paid in this way since December, 1903. The annual Report for 1907 showed a production of $16,410,576 pounds of copper, 257,-278 ounces of silver, and 35,083 ounces of gold, with a value received of $4,521,549. Despite a slight reduction in the quarterly returns over 1906 the net profits of $1,924,937 showed an increase of $100,000. The Granby ore smelted was 649,022 tons. In his address President Jacob Langiloth, of New York, stated that in order to secure regular future supplies of coke an interest had been acquired in the Crow's Nest Pass Coal Company, and that Mr. Jay P. Graves, their General-Manager, had been elected to the Crow's Nest Board of Directors.

The Provincial coal production of 1907 was the greatest on record, and of this the Crow's Nest Company had the largest gross output. Its total was 877,442 tons (2,240 lbs.), as compared with the Wellington Colliery Company product of 825,000 tons, the Western Fuel Company of 500,000 tons (both on Vancouver Island), and the Nicola Coal and Coke Company of 11,000 tons.* The Crow's Nest Company produced, also, 210,000 tons of coke, and the Wellington Company 17,000 tons. A later estimate by the *Canadian Mining Journal* placed the total coal output at 1,000,000 tons and the coke at 250,000 tons. In 1906 the Crow's Nest output had been 806,902 tons of coal and 213,296 tons of coke. In connection with the Granby Company's acquisition of an interest in the Crow's Nest Company there was a revival of the rumours as to Mr. J. J. Hill's connection with the latter concern. In reply to inquiries as to alleged conflicts within the Company Mr. G. G. S. Lindsey, its General-Manager, told the Victoria *Colonist* of July 14th that there was nothing in the talk. " When Mr. Hill acquired his interest in the C. N. P. Coal Company it was at the solicita-

* Note—Approximate figures prepared by Mr. E. Jacobo, Editor of British Columbia *Mining Record*, February, 1908.

tion of the Toronto and Montreal interests, and he purchased his stock, not in the open market, but from the Company itself. There has never been any question about control on either side, the Toronto and Montreal interests are now and always have been acting in perfect harmony. There would be no occasion for Mr. Hill to secure by himself or through his friends the controlling interest in the Company." Senator G. A. Cox, President of the Crow's Nest Coal Company, told the Edmonton *Bulletin,* on Sept. 24th, that: "We are now mining about 4,000 tons of coal daily and have already made substantial progress in the direction of increasing the production to 8,000 tons daily. This expansion of operations cannot be accomplished in a few months, as it takes time to develop new seams and instal additional equipment. There is absolutely no discrimination being made against Canadian railways and Canadian smelters in order, as has been alleged, to cater to the American customers."

The fact that British Columbia coal mines sold to the United States about the same amount as they sold in Canada (679,829 tons and 681,889 tons, respectively, in 1906) naturally invited discussion during the coal shortages of the past two years. It appears that in 1906 the Wellington Company shipped 221,000 tons to the United States and sold 408,399 tons for consumption in Canada, while the Crow's Nest Company exported 230,863 tons to the United States and sold 150,793 tons in Canada. Of coke the latter sent 53,400 tons to the United States and sold 134,646 tons in Canada. Questions of transportation and facility of shipment, to say nothing of prices, entered so largely into the problem that rash opinions upon this point were not of great value. Complaints, however, were numerous during both the coal and coke shortages and, in August, the latter question was formally investigated by Mr. R. F. Tolmie for the Provincial Mines Department. Mr. A. J. McMillan, Manager for the Le Roi Mining Co., told the Victoria *Colonist* on Sept. 5th that, so far in 1907, only about 27,000 tons of coke had been shipped to the United States side. "The trouble arises, principally, from two causes, and these are unsettled labour conditions and shortage of railway rolling stock. As regards the latter, it is well known that there have been days together when the cars and motive power have not been available for moving coke. Everyone knows that owing to unsettled labour conditions at the coal mines last spring no coke was produced for quite a long time, while later on when coke was being produced the gold and copper mining companies had labour troubles at their own mines. The outcome of all this was that in the early part of the year none of us could get as much coke as we required, while in June and July several of the largest smelters in British Columbia cut down their coke orders." Some Miners' meetings were held and the Provincial Government was asked by Resolution to put in force the clause in the Crow's Nest Company charter specifying

penalties for failure to first supply its coke to the smelters at Yale and Kootenay.

Mining and Mineral Resources in the Yukon

Early in 1907 an official Report of mining conditions and work in the Yukon during the preceding season was published by Mr. R. G. McConnell, of the Dominion Geological Survey. He attempted in this document to measure the volume, and estimate the recoverable values, contained in the various areas of high, level or White Channel auriferous gravels occurring along Bonanza and Hunker Creeks and in the lower Klondike Valley. Referring to the deposits in these streams at a period when they flowed at a height far above existing levels, Mr. McConnell said: "After their deposition various causes, chief among which was a general elevation of the country, enabled the streams to deepen their channels. In the deepening process the gravels deposited at the first level were only partially destroyed, as the old channel was much wider than the present one. The undestroyed portions constitute the present bench, hill or White Channel gravels of the district. Practically all the gold in the present channels of the streams is derived from the partial destruction of the pay streak in the older high level channels. It follows from this that in the productive portions of the streams, where the pay streak of the old channel is destroyed, the creek is rich and where it has been preserved the hills are rich." A careful and detailed estimate followed of the various producing parts of this region and the final summary was as follows:

Locality.	Estimated past production.	Estimated future output.
Eldorado Creek	$25,000,000	$ 2,600,000
Upper Bonanza Creek	15,500,000	3,225,000
Lower Bonanza Creek	11,000,000	11,500,000
Klondike River flats	1,000,000	6,500,000
Bear Creek	1,000,000	600,000
Hunker Creek	14,000,000	7,500,000
	$67,500,000	$31,925,000
Upper Bonanza and Eldorado Hills.	$ 24,000,000	$ 8,213,532
Lower Bonanza Hills	750,000	7,528,720
Klondike Hill gravels	small	956,000
Hunker Creek Hills	2,500,000	5,019,870
	$27,250,000	$21,718,122
	67,500,000	31,925,000
Totals	$94,750,000	$53,643,122

This estimated future production of $53,000,000 was based on sampling done by Mr. McConnell and his assistants, on the results of actual mining operations and on data, carefully examined and sifted, which had been supplied by miners and others familiar with the ground. While he considered it a reasonably close estimate it was at the same time pointed out that in so rich a district gold

was liable to crop up in unexpected places and, therefore, to increase the ultimate output. The Indian River Creeks were not included in the investigation and they had already produced some $24,000,000 and promised more; so that scope was left for a considerably larger actual production than the estimate. At the Canadian Club, Montreal, on April 22nd, Dr. Thompson, M.P. for the Yukon, stated that in that region they could raise excellent barley and potatoes and even wheat; that vegetables grew in splendid quality; that since its opening up 242 tons of gold worth $120,000,000 had been produced; that it was the finest sporting country on the whole continent—salmon, white moose and cariboo; that its superb scenery, in mountains, froids, glaciers and ice-bergs, was unequalled anywhere; that it was going to be a growing market for the manufactures and products of the East; and that the famous Guggenheim firm was investing $10,000,000 in its mining development.

This latter interest was the controlling element in the year's work. In the purchase of land and dredges; in the building of an enormous ditch some 50 miles in length to supply water to hydraulic placer grounds; in the erection of a large electric plant for running the dredges; in controlling Bonanza, Hunker and Eldorado Creeks, and acquiring, altogether, some 1,500 mining claims; in bringing in their own supplies and employing hundreds of men; in spending up to June, 1907, an estimated sum of $5,000,000 for equipment and $10,000,000 for claims; in the control of mining and transportation interests all through Alaska as well as in the British Yukon; in acquiring the Treadgold and other interests and striving to control the Boyle, Bronson and Anderson concessions; they filled the arena of the Yukon to the exclusion of the small miner and the small investor. It was alleged, in some quarters, that a gigantic trust was being created, capital from other sources kept out of the country, their supplies all obtained from San Francisco, the merchant and small prospector injured, and the mining industry hampered. On the other hand there was no doubt of the alternatives before the region—large capital and big operations or extinction as a mining camp.

Dawson City at this very time held 2,500 people as against 10,000 a few years before. The steadily declining production was estimated for 1907 at only $3,000,000 by Mr. W. W. B. McInnes, the late Commissioner, in the Vancouver press of Sept. 5th. As to the future, however, he was optimistic. "With the increasing number of dredges and extension of the hydraulic systems the production should steadily increase from this on. The magnitude of these hydraulic operations can scarcely be appreciated by the outside world. To give you some idea of their bigness I might tell you that the Guggenheim system will have seventy miles of ditches, flumes and piping. The ditches are so capacious that two waggons can be driven side by side along the floor. Their water supply

will be available by the middle of next summer, and will make future operations independent of weather conditions." The actual production of the year was $3,150,000. It may be added that the Guggenheims, or the Yukon Consolidated Gold Company, of which Mr. O. B. Perry was General-Manager, ordered, on Aug. 8, 500 tons of general provisions from a Vancouver firm—indicating pretty clearly that all their supplies did not come from the United States.

Mining in the Yukon was, however, not entirely confined to the region around Dawson. At White Horse, according to Mr. R. G. McConnell in the Vancouver *Province* of Oct. 8th, the prospects were excellent. "With development another large copper producing camp will be a factor in the market. This mineral belt, as far as determined, has a length of about fifteen miles. The ore is principally bornite and chalcopyrite, lying in a lime and granite contact. It also contains subsidiary values in gold and silver. In the high-grade ore the gold runs as high as $5 per ton, but the average is much less, say about $1.00 to $1.75 per ton, with silver values of about one ounce per ton. Of course the principal metallic content of the ore is copper having, roughly speaking, an average value of 5 per cent. per ton. This is away in excess of the values of the ores in the Rossland and Boundary districts. The White Horse belt, besides a large number of prospects, has seven or eight properties which are now being actively developed, although none of them have attained a depth exceeding 100 feet." In July the Editor of the White Horse *Star* reported great activity amongst the mines of the district.

To the Victoria press on Oct. 18 Colonel W. S. Thomas, of Pittsburg, who was largely interested in the copper properties of this region, and was supposed to be connected with Standard Oil interests, declared that the Government should build a big smelter in the Yukon. He was confident that the southern part of the Yukon was the "richest quartz mineral district in the entire Canadian territory," but no matter how rich the property it was not likely to be developed for some time unless it were possible to treat the product and ship it to the coast at minimum cost. He thought, therefore, that the Canadian Government should lend a helping hand. With investments of some two millions already made and a still larger backing of capital, if required, Colonel Thomas controlled rather interesting developments of this period. They were, however, somewhat checked by the later depression in the copper market.

Resources and Conditions in Canadian Fisheries

The Maritime Provinces of Canada had a good year during 1907 in Fishery matters. Catches were heavier and prices better than usual; the bank and deep-sea fishing fleets had a very favourable season and the product in cod, halibut and haddock was exceptional; while the inshore fisheries in herring and mackerel were prosperous. Trade in Cape Breton fish with

the United States increased; lobsters were plentiful and prices high; sardines and gaspereaux on the New Brunswick coast were plentiful though the catch of salmon was lower than the unusual returns of 1906. The price of oysters was high and the supply limited. Toward the close of the year there was a downward tendency in all prices. In the mackerel fisheries off the coast of Nova Scotia upwards of 1,000 men, most of them natives of the Provinces, were engaged in United States boats and backed by United States capital. An estimated annual product of $750,000 was the result of their labours; the industry being a very profitable one with some 50 vessels taking about $15,000 of a catch each. A curious feature of this industry had been the gradual and almost total extinction of Canadian capital engaged in it and the success of Canadian fishermen in United States vessels when they had failed in their own. The freedom of Nova Scotia harbours to American boats no doubt had something to do with the decline of the Canadian business.

A special effort was made during the year by President Scott, of the Fishermen's Union of Nova Scotia, to gain the support of all the fishermen in the Maritime Provinces on the ground of the success of his organization against the lobster canners in the matter of prices for that product. In the House of Commons on Jan. 22nd Mr. J. H. Sinclair of Guysboro, N.S., moved for the appointment of a Committee on Fisheries. He declared these Provinces to have a monopoly of the lobster fisheries on the Atlantic; described the increase in Canadian Fisheries production from $6,000,000 in 1870 to $26,000,000 in 1907; referred to the Canadian capital invested in fishing vessels, boats and gear as increasing from $3,936,582 in 1880 to $7,372,641 in 1890, to $10,990,125 in 1900 and to $14,555,565 in 1906; stated that in Nova Scotia alone, the industry gave employment to 25,000 men with 88,421 engaged in all the Provinces; pointed out that the fleet employed consisted of 1,439 fishing vessels, with 8,458 sailors, and in the inshore fisheries of 39,634 boats manned by 67,646 men; described the average yearly earnings of the fishing population of Nova Scotia as $322, of New Brunswick as $338, of Prince Edward Island as $327, of Quebec as $183, of Ontario as $594, of the Western Provinces as $379; summarized the total for Canada, including British Columbia, which had conditions difficult to compare, as averaging $388. Mr. Sinclair asked for a Committee in order to encourage more modern methods in the Fisheries, to give scientific information, and to conduct an educational campaign. He wanted better transportation facilities, fair express rates, and a system of cold storage. Mr. R. L. Borden supported the motion, which the Government accepted. In December it was announced that the Lunenburg (N.S.) fishing fleet had had the best season in years; that its fleet of 46 vessels landed 12,820,000 pounds, or 875,000 more than in the previous season. The La Have fleet took 8,285,000 pounds, and that of Mahone Bay 2,530,000 pounds.

On the Great Lakes the catches were light during the season. The yield of the Ontario fisheries in the Lake of the Woods region, in Lakes Superior and Huron, in Georgian Bay and Lake St. Clair, in Lakes Ontario and Erie, in the Nipissing district and other inland waters, had varied from $264,982 in 1870 to $1,734,865 in 1906 with a total production in that period of $42,967,352. Of these fisheries trout in Lake Superior and Lake Huron, herring and pickerel in Lake Erie, and whitefish in all three bodies of water, were the most productive. The total yield in 1906 included whitefish, $290,155; trout, $669,376; herring, $227,185; pickerel, $295,620. The value of fishing tugs, boats, nets, etc., engaged in the industry was $942,910. In the Lake fisheries of Alberta and Saskatchewan hundreds of men and teams were employed in the fishing industry during 1907, while the regulations affecting these Western fisheries were amended in May by the Department of Marine and Fisheries so as to provide more protective restrictions for whitefish, pickerel, etc. Lake Winnipeg and its tributaries had of late yielded a million dollars' worth of fish a year, but the process of depletion was fast becoming visible. Whitefish is the chief product of the Saskatchewan lakes and, in all of the innumerable bodies of water scattered through the West, fish are abundant and varied.

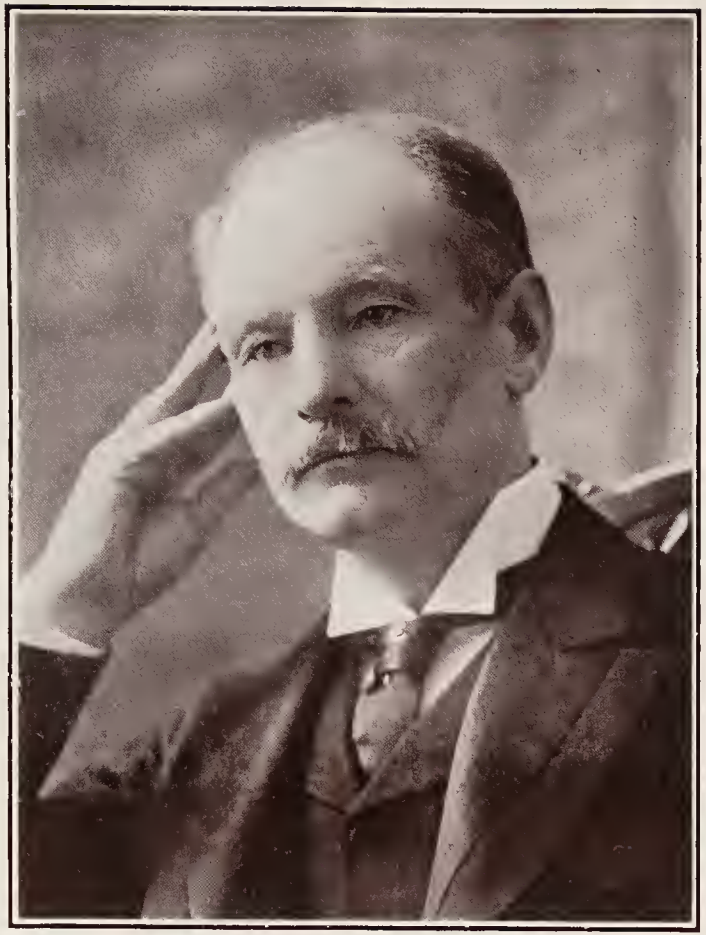
In British Columbia the catch of sockeye salmon was very light —lower than in 1906 and with only 3,000 fishermen employed as compared with 5,500. The catch in other kinds of salmon was reported good, and prices in the British market higher. The Nanaimo herring fishery was better than in 1906, but the sealing operations in Behring Sea were much less successful and showed a catch of only 5,235 skins as against 9,900. The Vancouver Island whaling industry was exceptionally prosperous and extended both its fishing operations and reduction plants. Upon the subject of salmon Mr. J. P. Babcock, the Provincial Fisheries Commissioner, in his Report for 1906, which was published in April of the succeeding year, referred to conditions on the Fraser, to the apparent fact that the salmon of 1906 were the product of 1902 eggs and stated that: "The run this year confirms the conclusions which I sought to convey to the Government in 1902. In view of the fact that the catch of 1903 was 62 per cent. less than that of the previous fourth year, 1899; that the catch of 1904 was 65 per cent. less than that of 1900; that the catch of 1905 was 22 per cent. less than in 1901; that the catch this year is 26 per cent. less than in 1902; no other conclusion can be reached than that the great fishing industries of the Fraser River district are declining at an alarming rate and cannot be long maintained under existing conditions. The methods employed to catch the run are more effective now than heretofore, a greater effort is made to catch the fish, the capacity for those taken has been increased, the demand is greater than eight years ago, and the prices paid for the fish this

year higher than ever before. Under such conditions the failure to catch an equal or larger number of fish causes me to conclude that it is due to their scarcity; that is, if the fish were as abundant as formerly they would now be caught in greater instead of lesser numbers."

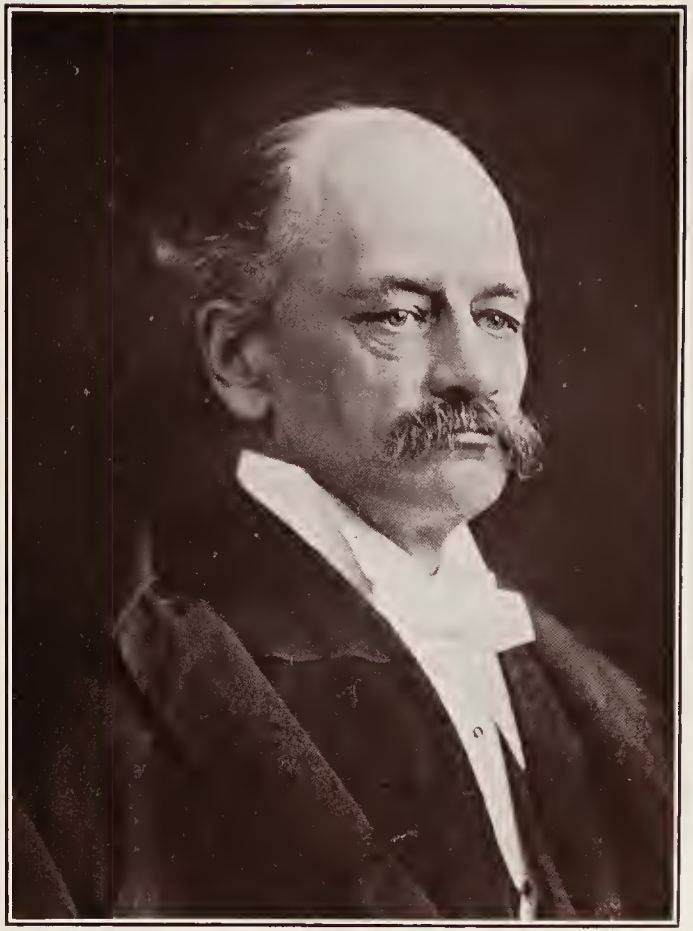
Unlike many other salmon rivers in which the run has declined, the spawning beds of the Fraser and its tributaries had not been destroyed by the diversion of water for irrigation purposes nor by the polluting of its waters with refuse from various factories. The real cause of the trouble he attributed to excessive fishing and pointed out that increased hatcheries were useless if the fishing operations continued to prevent enough salmon from reaching the spawning beds. He urged the adoption of the Dominion Fisheries Commission recommendations.* According to figures made public by the Canneries the pack in 1906 was 183,007 cases from the Fraser River and 276,672 from the Northern districts of British Columbia, or a total of 459,679 cases from the Province. Of red and white spriggs the total pack was 32,344 cases, of humpbacks and dog-salmon the number was 68,305, and of cohoes 69,132—a total of all kinds for the Province of 629,460 cases as compared with 1,167,460 in 1905 and varying quantities running to 484,161 cases in 1898. Every fourth year was the time of the heaviest catch and 1897, 1901 and 1905 were those which preceded 1907. According to reports in August of this latter year the pack of sockeyes from the Province during that season was 290,000 cases of which only 51,400 cases came from the Fraser River. There was, however, an advance in prices.

Between 1869 and 1906, inclusive, the chief commercial sea fishes of Canada yielded the following values: Cod, $139,514,753; Salmon, $96,790,319; Lobster, $83,291,552; Herring, $75,270,-165; Mackerel, $47,416,972—a total for all classes of fish of $651,724,709. Up to June 30, 1906, the export of Canadian fish and fish products, chiefly to Great Britain and the United States, totalled $16,049,394; in the nine months of the new fiscal year ending March 31, 1907, the total was $10,396,918. The production by Provinces in 1906 showed a value in Nova Scotia of $7,799,160; in British Columbia of $7,003,347—a decrease of $2,846,869; in New Brunswick of $4,905,225; in Quebec of $2,175,035; in Ontario of $1,734,856; in Prince Edward Island of $1,168,939; in Manitoba, Saskatchewan and Alberta of $1,492,-923—a total of $26,279,485 and, with the exception of 1905, the greatest yield in Canadian records. The value of fishing implements, vessels, etc., and the total capital invested in the Fisheries was (1906) $14,555,565, with a value of $1,446,147 additional for the lobster plant and of $3,422,927 for the lobster catch. The number of fishermen employed was 76,104 and 12,317 employed

* NOTE—See pages 90-92 of *The Canadian Annual Review* for 1906.



THE HON. CHARLES J. TOWNSHEND.
Appointed Chief Justice of Nova Scotia in 1907.



THE HON. HENRI T. TASCHEREAU.
Appointed Chief Justice of the Superior Court of Quebec in 1907.

in the lobster canneries. Bounties paid in 1906 totalled $159,015 and the production in commercial fishes was as follows:

Salmon	$5,856,760	Haddock	$766,896	Hake	$384,491
Cod	3,471,186	Pickerel	713,437	Pike	204,616
Lobsters	3,422,927	Halibut	683,840	Oysters	194,855
Herring	2,704,596	Sardines	514,916	Sturgeon	140,735
Mackerel	1,369,728	Smelts	425,631	Alewives	139,689
Whitefish	906,759	Pollock	430,980	Eels	128,217
Trout	$791,467	Clams, quahaugs, etc.			$398,634

The British Columbia Fisheries Commission, appointed in July, 1905, held further sessions during this summer and completed the taking of evidence in December. Interim reports had already been published and opinions expressed, but the completed Report was not issued during the year. The Dominion Commission appointed to investigate the fisheries of Western Ontario completed its inquiry as to Georgian Bay in July and held sittings during succeeding months as to conditions in the Lake Erie waters. The Commissioners, consisting of Professor Edward E. Prince, Dominion Commissioner of Fisheries at Ottawa, James J. Noble, of Little Current, and John Birnie, K.C., of Collingwood, had made a most exhaustive investigation of the Georgian Bay and adjacent waters. They visited every fishing station on the Bay and personally observed the class of fish which was killed and the style of net used—weighing more particularly the advantages of the pound net and gill net—and marked the working out of the close season in the different localities. They took the evidence of nearly every fisherman on the Georgian Bay. Further evidence obtained in Lake Erie seemed to show that fifteen or twenty years ago sturgeon were so plentiful as to be regarded as a nuisance. The price then was about fifty cents per cart-load while, at the present, sturgeon is worth 25 cents a pound and the value of eggs in a ripe sturgeon is about $1.00 a pound. It appeared that whitefish had seriously declined in numbers and lake herring were in great danger. Blue pike or pickerel was found to be the principal fish, though carp and mullets and such inferior varieties were plentiful in many localities. Fishermen who stated their grievances complained of the methods of United States fish companies which purchased Canadian catches. Injury was also said to have resulted from the divided authority as to Fisheries between the Federal and Provincial authorities. The final Report had not appeared at the close of the year.

Forest and Lumber Conditions in Canada

With an estimated area of wooded lands equal to 150 acres per head of its population, or a total of one million and a quarter square miles altogether; with a Pacific coast region containing the greatest compact area of saleable timber in the world; with Dominion Forest Reserves covering, in 1906, 1,400,000 square miles of wooded land, and bearing an estimated possible royalty of

$360,000,000; with Provincial Reserves of nearly 14,000,000 acres; with an export of forest produce totalling more than 1,000 millions since 1868 and a total production estimated at $100,000,000 a year; with a capital investment in the industry of over $125,000,000, a yearly pay-roll of $30,000,000, an output of $50,000,000 a year from saw-mills alone, and an estimated 30 million trees cut down every year; with a total forest acreage stated by the *Canadian Lumberman* at 865,000,000, equalling, at an average product of 1,000 feet of sawn lumber to the acre, a yearly output for 100 years of 8,650,000,000 feet; with an estimated capacity of spruce on one area of 30,000 square miles in Lake St. John region, Quebec, totalling 100,000,000 cords of pulp-wood, producing 500,000 tons of pulp for an indefinite period; Canada certainly has in its forests a great national asset. The total production in 1905 was placed at 1,680,000,000 feet of sawn lumber, and of this 780,000,000 feet came from Ontario, 309,145,000 feet from Quebec, 200,000,000 from Nova Scotia, 346,000,000 feet from New Brunswick, and 51,515,000 feet from British Columbia. According to Mr. T. Whelan Boyle, a correspondent of the London *Chronicle,* the Ontario Minister of Mines and Lands (Mr. Cochrane) estimated to him the quantity of red and white pine on the Crown lands of that Province at 12,000,000,000 feet worth, perhaps, £24,000,000, together with spruce worth possibly £70,000,000 more.

During 1907 the winter lumbering operations in Canada were very active, men were scarce, and wages advanced, while the spring season was, upon the whole, favourable to the industry. In the autumn, however, there was a slackening up caused by the high price of supplies, the decline in British prices for lumber and the falling off of home consumption through, no doubt, the reduction in building operations. Wages of employees were less and, although the export of sawn lumber to the American market totalled some 517,000,000 feet in the first seven months of the year, the exports to Great Britain and Europe decreased during the season as a whole from 146,000,000 feet to 113,996,314 feet. Local prices remained good during the year and for a part of it they reached a record height. As against this condition provisions for the lumber camps advanced to luxury prices and labour became more difficult to get and much more expensive. It cost more to get the lumber out of the woods, and men who used to receive from $28 to $30 a month now received $28 to $35. For the future the industry had to look forward to the 10,000,000 or so of ties which the new Transcontinental would require; to say nothing of those needed for other lines projected or renewed. During the first six months of 1907 the export of spruce lumber from St. John, N.B., was 90,665,647 feet as compared with 61,681,237 feet in the same period of 1906.

In British Columbia there was great expansion in the lumber industry. During the first half of 1907 the timber-cutting licenses numbered 4,245 (exclusive of hand-loggers' licenses) and the acres totalled 2,716,800 as against 3,959 licenses and 2,534,400 acres in the whole 12 months of 1906. The price of logs had doubled in three years and increased from $6.00 and $7.50 in 1904 to $12.00 and $15.00 in 1907. The lumber cut (*Colonist* July 20), which in 1904 was 317,551,151 feet and in 1906, 508, 069,969 feet had, in 1907, increased proportionately. A general press estimate for the year ending June 30, was 678,687,324 feet. Nearly 20 per cent. of manufactured lumber in British Columbia is used locally, but the larger portion goes to Alberta, Saskatchewan and Manitoba. During the year under review a large number of new saw-mills were established including two at New Westminster, two on the Queen Charlotte Islands, one at Port Moody, two at Vancouver, and others at Clayoquot, Bon Accord, in the Kootenays, on Vancouver Island and upon the west coast of the mainland. In Vancouver E. H. Heaps & Company rebuilt their immense mill which, it was claimed, would be the largest on the coast. New York and Western capital acquired for a million dollars the Mundy Mills and timber interests near Revelstoke, and the Patrick Lumber Company was organized in Montreal to operate near Nelson. Wages of mill-hands and loggers advanced considerably and ranged, in July, from $2.50 to $6.00 per day.

Much American money came into the Province during this and the preceding year and much of it went into saw-mills; while British and Canadian capital seemed to prefer shingle mills. Wealthy lumbermen of the United States, men who owned large manufacturing enterprises in the Eastern and Middle-Western States and even some of those operating in the Pacific Coast States, invested largely in the Province. Owing to the care with which this class of men made their investments they came into possession of some exceedingly large tracts of the finest timber of the kind in the world. It was noticeable, too, that having become interested in British Columbia timber this American capital constantly increased its holdings. Incidents of the year included large acquisitions of timber areas on Vancouver Island by the Redcliffe Lumber Company of Duluth; the development of extensive pulp-works at Swanston, between Vancouver and Port Essington; the purchase of some 260 miles of timber limits on Vancouver Island, involving an estimated investment of $5,000,000 by the North American Timber Company of St. Paul and the announced construction in a few months of a number of large saw-mills; the purchase of the Fraser River Saw-mills, including the big plant at New Westminster, extensive logging camps, 3,000,000,000 feet of standing timber and the Anacortes Company Mills thrown in, by A. D. Macrae, of Winnipeg, and Peter Jansen, of Nebraska, at a consideration exceeding $2,500,000. The large sales of timber

limits on Vancouver Island gave rise to much speculation and to statements from Seattle that J. P. Morgan and J. D. Rockefeller were at their back with the Standard Oil Company looming in the distance. A different proposition was the announced purchase, on Dec. 3rd, of a large tract of Alert Bay timber lands by Senator G. A. Cox and John Charlton. On Nov. 13th the B. C. Timber and Forestry Chamber of Commerce was re-organized with announced objects which included: (1) The securing of something like stability of title in special license lands; (2) the definite fixing of license fees and royaltics for some years to come; (3) the survey of timber lands under conditions which more nearly meet the approval of timber owners and the Government than present usages permit; (4) thc prevention of forest fires. On December 23rd an Order-in-Council was passed by the Provincial Government withholding timber lands from further staking operations until a definite policy had been decided upon.

Canadian Pulp-Wood Interests and Policy

A question of great and increasing interest during the year was how best to protect the great pulpwood resources of the Dominion and how to obtain the best returns from the present and growing requirements of the United States in that respect. The farmers who had trees and wooded regions to cut naturally objected to any restrictions, as did the lumbermen who sold their raw material to United States mills. The latter interests did not, however, wait for Canadians to make up their minds. Their purchases of forest areas in British Columbia have been indicated above. In Quebec the Robitaille timber limits of Bonaventure County were transferred early in the year to Senator W. C. Edwards, of Ottawa, and Angus McLean, of Buffalo. They were said to have been originally conceded for $3,500 and to have netted in this final sale $400,000. The purchasers were estimated, after this deal, to hold 1,600 square miles of limits altogether in Bonaventure.

In September a large property of saw-mills and timber areas in Gloucester County, N.B., was sold to American capitalists at an estimated price of $250,000. Mr. A. N. Burbank, President of the International Paper Company, of New York, stated on Dec. 20 that his concern had acquired 550 square miles of spruce lands in New Brunswick containing 250,000 acres. It was, he said, a case of getting raw material or closing their mills. On June 8th it was announced in Ontario that the Spanish River Lumber Company's rights in spruce properties and 50 square miles of territory in Algoma had been sold to a Wisconsin paper manufacturing syndicate for $2,160,000. The Berlin (N.H.) Pulp and Paper Mill Co., operating largely in Quebec pulp interests, purchased in May a large tract of timber land near Sable River in Nova Scotia, and another New Hampshire concern acquired some 27,000 acres of pine lands in the same vicinity.

MR. HERBERT C. COX.

Elected President of the Canadian Underwriters' Association in 1907.

MR. GEORGE G. S. LINDSEY, K.C.

Elected President of the Crow's Nest Pass Coal Company in 1907.

With a few exceptions the lumber industries of Three Rivers, Que., were stated in June to be in the hands of United States capitalists, and in that vicinity, along the north and south shores of the river, a number of large mills were in the same position.

The reasons for this special action from the United States were sufficiently obvious. Spruce and pulp were getting scarce; the demand for news paper and paper generally was growing by leaps and bounds; the mills must have pulp and the only great preserves left on the continent were in Canada. So serious had the situation become, so marked was the depletion of the forests, as illustrated in the vanishing of the white pine and the diminished supply of spruce, that President Roosevelt in May had a conference of the Governors of the various States to discuss the means of arresting the process of destruction. Canada held the key to the situation. In July the New York *Sun* had the following reference to the subject: "The notion generally entertained a few years ago that the northern border States would be able to furnish all the pulp-wood that this country would ever need has been exploded. The possibility that Canada may impose an export duty on pulp-wood is not as important as the certainty that unless the proper steps are soon taken there must occur the exhaustion of the spruce supply of Canada as well as of this country." The New York *Commercial* followed along the same lines: "Both the State and Federal Governments in this country should have entered upon a policy of spruce-forest conservation years ago; as a direct result of their failure to do it we are fast approaching the end of our spruce supply here in the United States. Already many of our paper mills import millions of feet of spruce logs from Canada every year and other American paper-manufacturing companies have bought up in the aggregate nearly 10,000 square miles of spruce lands in Canada which they are steadily denuding to supply their mills with raw material."

There is no doubt that under such circumstances any Canadian agitation for an export duty would create interest if not anxiety in various United States circles. It was argued in Canada that if such a duty was imposed United States paper-making companies would be impelled to establish plants or branches in the Dominion so as to preserve their business in Great Britain, in Australasia, and in South Africa, or prevent Canadian industries from getting a large share of it. As it was, American mills were underselling in those markets, with Canadian pulp, the products of Canadian mills. This, it was contended, would be rendered impossible if American mills were compelled to pay an export duty on the pulp-wood supplies which they were drawing in increasingly large quantities from Ontario, Quebec and New Brunswick. At the City of Quebec, however, the representatives of the farmers who appeared before the Tariff Commission in 1906 were exceedingly hostile to any export duty whatever. They urged that such a

policy would throw them into the hands of the local paper-mill companies, who would then be able to pay what they pleased for pulp-wood. No export duty was imposed when the tariff was revised in the winter of 1906-7. But early in the latter year a well-organized, sudden and unexpected recrudescence of the agitation developed and was carried on with vigour and under circumstances which gave it quite a new significance.

The Toronto *Globe,* while taking no special stand in regard to the movement, sent out a travelling correspondent in July to different parts of Canada, and he wrote some twenty articles describing the situation. Some of his observations and conclusions were that Canada was furnishing to Wisconsin, New York and other States of the Republic the raw material to be manufactured into goods which came into competition with the manufactures of this country in the markets of the world; that in return Canada kept the land and the stumps of the trees and received a small amount for labour and transportation; that action by the Dominion Government was demanded by public opinion and seemed the only possible course which could include both fairness and effectiveness of treatment; that there was no prospect of Quebec or New Brunswick following the example of Ontario in prohibiting the export of unsawn lumber from Crown Lands or in compelling the manufacture of pulp and paper in Canada from pulp-wood taken out of such lands; that this policy was very unpopular with the settlers and farmers who derived from their timber a considerable revenue and who were easily persuaded by interested parties that it would mean a lowering of prices; that Quebec, with its fundamental requisites of cheap wood, cheap power, and good transportation facilities, was now the centre of the stage for the making of pulp and paper; that those who argued about the inexhaustible supplies available there and in other Provinces were face to face with the experience of Wisconsin, Michigan and Minnesota which were now turning to Canada for their pulp-wood as a last resort; that the stoppage of pulp exports from Canada would force United States mills to this side of the line with, also, many of their paper plants; that instead of a decrease in price the inevitable increase in the demand for Canadian pulp would result in the working of every Canadian pulp-mill to its fullest capacity and the enlargement of every one of those having the necessary water-power; that all of the pulp-wood would be wanted at as good prices as now prevailed or better; that it was shameful for Canada to exhaust its forests in supplying free of duty the raw materials for United States mills when the finished product of Canadian mills was excluded from the United States by high duties.

The opinions of those concerned in this industry were found to vary greatly. Mr. W. H. Rowley, President of the E. B. Eddy Co., Ottawa, was a vigorous supporter of the policy of prohibiting

the exportation of saw-logs or pulp-wood to the United States; as was J. R. Booth, the distinguished lumber, pulp-paper, and railway man of Ottawa. Mr. John R. Barber, of Georgetown, head of various paper and pulp establishments in Ontario, believed in an export duty on pulp-wood similar to the import duty imposed by the United States on Canadian wood-pulp. In Montreal, L. J. Tarte, of *La Patrie;* in St. John, H. W. Schofield, of the Portington Pulp and Paper Co.; in Chatham, N.B., W. B. Snowball, of the J. B. Snowball Company; all favoured an export duty. On the other hand, Senator W. C. Edwards, of Ottawa; Mr. John McFarlane, of the St. Raymond Paper Co., Montreal; Mr. A. J. Auger, of Quebec, and Mr. H. M. Price, President of the Provincial Pulp-wood Association; Mr. J. T. Ritchie, of the Miramichi Lumber Co., and Mr. James Beveridge, of the Miramichi Paper and Pulp Co.; were strongly opposed to such a duty. In Quebec, where 70,000 miles of Crown lands were under license and about 12,000 miles of this were in American hands, Mr. Adelard Turgeon, Minister of Lands and Forests, put the subject concisely to *The Globe* on August 3rd as follows:

I think it would be a great boon for the public domain if the Federal Government put an export duty on pulp-wood. On several occasions people have come to this Government and asked why we do not put on an export duty or why we should not put a big tax on pulp-wood cut for export. We have had to point out to them that in the first place we have no power to enact an export duty, and that in the second place the Provincial tax on pulp-wood cut for export applies only to Crown lands. There is no authority vested in the Government to make it apply to private lands, and it is in effect a discrimination against those cutting on Crown lands. At the present time, pulp-wood cut on Crown lands for export, pays dues of 65 cents per cord as against only 40 cents per cord for that cut on private lands. It did not seem fair or right that there should be any greater discrimination. But an export duty would apply equally to all; hence the matter seems to me to be one with which the Federal Government should deal.

At the annual meeting of the Canadian Manufacturers Association on Sept. 24, President H. Cockshutt made a strong appeal for the imposition of an export duty on pulp-wood and a vigorous protest against building up an industrial rival in the United States at the expense of Canadian resources. On Oct. 9th a deputation representing the Pulp and Paper Section of this body waited upon the Government at Ottawa. The deputation consisted of Hon. J. D. Rolland, President of the Association; F. J. Campbell, of the Canadian Paper Co., Windsor Mills, Que.; J. H. Biermans, of the Belgo-Canadian Co., Shawinigan Falls, Que.; Alex. MacLaren, of the MacLaren Company, Buckingham, Que.; and Carl Riordan, of the Riordan Paper Co., Merritton, Ont. Mr. Riordan was Chairman of the deputation. The following Memorial was presented and consideration promised:

Whereas, we have within the bounds of Canada, as a natural product, spruce pulp-wood capable of providing employment for a large number of our present people, and for many who may come to find homes

here; and whereas, this wood is being raised in Canada and shipped as pulp-wood to the United States to keep pulp and paper mills in that country running; and whereas, our present natural advantages should make pulp and paper our greatest industry; and whereas, the exporters are stripping the lands of wood, while those with permanent interests in the country are striving to conserve the forests; and whereas, the crop of pulp-wood is of very slow growth and the supply is already becoming inaccessible; and whereas, the free export of pulp-wood to the United States, combined with the tariff against our pulp and paper, favours the development of the paper industry in the United States rather than in Canada; therefore, your petitioners humbly pray that the exportation of pulp-wood be prohibited by the Federal Government.

Writing to the Prime Minister regarding this matter, on Oct. 10, Mr. Carl Riordan pointed out that at present many thousands of acres of forest land were yearly being denuded of wood, while the water-powers in these areas were also disappearing. He then proceeded as follows: "If the exportation of pulp-wood from Canada were prohibited it would have to be manufactured here, because the demands for the finished product are so great in the United States that they must have this raw material, as they have not sufficient of their own. This would mean that the pulp-wood now exported would be manufactured here. This amounts to about 1,000,000 cords a year at the present time, and is worth about $3,500,000 as pulp-wood, $20,000,000 as ground-wood, pulp, or sulphite and $25,000,000 as news paper. Sulphite is worth about twice as much per ton as ground-wood, but uses about twice as much wood. All these figures ultimately represent about 90 per cent. of wages and about 10 per cent. of profit. It would mean not only employment for about 20,000 more men, but these men would nearly all be of a better class of citizens than those employed in the pulp-wood industry. It would mean that Quebec and New Brunswick would have manufacturing industries that would support their populations as well as Ontario is supporting hers." In this connection other estimates were made to the effect that every cord of pulp-wood exported brought an average of $7 to $10; that every cord of pulp brought in from $21 to $28; that in the final stage of manufacture (paper) a cord of pulp-wood realized, according to quality of product, from $40 to $100. The recent development of the pulp and paper industry would seem to indicate that these profitable conditions were becoming recognized. In 1851 Upper and Lower Canada had 10 paper mills; in 1871, Ontario, Quebec, Nova Scotia and New Brunswick had 21 paper mills; in 1881 the total for all Canada was 36 paper mills and 5 pulp mills. Succeeding statistics were as follows:*

Year.	Pulp Mills. No.	Pulp Mills. Capacity in tons per 24 hours.	Paper Mills. No.	Paper Mills. Capacity in tons per 24 hours.
1888	34	154	40	173
1892	37	312	38	209
1899	39	1,145	33	328
1907	58	2,361	46	966

* NOTE—Special Forest, Pulp and Paper Number, Toronto *Globe*, Feb. 29, 1908.

In the year ending June 30, 1907, the United States imported pulp-wood from Canada totalling 650,366 cords or enough, according to expert calculation, to manufacture 520,000 tons of news paper; while its imports of ground pulp from Canada totalled 149,827 tons, worth $3,230,272. Canadian returns for the nine months ending March 31, 1907, showed an export in that period of 452,846 cords to the United States or a total of over 600,000 cords per annum. Owing to the loosely kept records of export in this connection, however, expert calculations put the total at a million cords a year. The present yearly capacity of Canadian pulp-mills is 700,000 tons of pulp and 200,000 tons of paper. The prospects for an enormous increase in this export were certain unless the Canadian Government, or the Provinces as a whole, should follow the examples of Ontario and British Columbia, and impose an export duty upon pulp-wood. An estimate of the future requirements of four New England States, only, from Canada was 3 million cords and, according to Mr. Gabriel Pinchot, the entire timber supply of the United States would, at present rates of demand and supply, be exhausted in 30 years.

Speaking at the annual meeting of the Laurentide Paper Co., at Montreal, on Oct. 15, Sir W. C. Van Horne made a vigorous appeal for protection to Canadian pulp forests and Canadian pulp industries. About this time, however, Senator W. C. Edwards put the other side forward in the Montreal *Witness.* He declared present conditions to be most profitable to the small limit-holder and the farmer; thought it would be many years before the United States and other countries would have to look exclusively to Canada for pulp-wood; described the Canadian market for paper as a limited one and the erection of pulp and paper mills at any faster rate to be suicidal; urged the proper administration, protection and management of the forest areas as the proper policy. In this general antagonism to an export duty Senator Edwards was joined by Mr. L. J. Tweedie, Lieut.-Governor of New Brunswick, in an important address delivered at St. John. So far as that Province was concerned it would, he thought, destroy a profitable industry without replacing it by another, as water-power was too limited to admit of largely manufacturing pulp and paper. Proper supervision was His Honour's policy in the premises. So far as the press was concerned the Montreal *Herald,* the Hamilton *Herald,* the St. John *Sun,* the Quebec *Chronicle,* Montreal *La Patrie,* the Hamilton *Spectator,* and the *Pulp and Paper* magazine, of Toronto, favoured action by the Government; the *Farmer's Sun,* the St. John *Globe,* the Ottawa *Journal,* opposed an export duty. In Ontario during September an extension of the Provincial Government's policy was announced. As conditions at the sale of two extensive pulp-wood concessions the purchasers were to manufacture the wood into paper within the Province.

Forestry Conditions and Advocacy in Canada

Of late years some of the Governments of Canada have done much to conserve the Forests and develop public sympathy with the principle of preservation. A special Department of the Dominion Government is now devoted to encouraging the planting of trees on the bare prairies and to the protection and restoration of the forest regions of the country. In 1906 Forest Reserves to the extent of 3,450,720 acres were set aside. A Forestry Department also exists in Ontario with 10,437,320 acres set aside as Provincial Reserves and a similar Department was added during 1907 to the University of Toronto. More, however, was necessary and in this, as in the preceding year, discussion took place along the lines of (1) preserving the forests at the head waters of the rivers and reforesting the watersheds generally; (2) the restriction as far as possible of exports of timber, pulp-wood, etc., for foreign consumption and industrial use; (3) more extensive protective measures against fire; (4) the ascertaining of the best methods of cutting and treating forest lands in the different Provinces so as to aid in conserving the forest crop; (5) the training of men in the care of forests and the suppression of settlers who only take up land in order to cut down trees and then move to another location; (6) the planting with trees of areas unfit for agriculture or cultivation.

Upon some of these points Senator Edwards wrote very clearly in the Montreal *Witness* article already referred to. Replying to the question of how it was the forests were, in some measure, being exhausted when production was going steadily on, he said: "By forest fires caused mostly by squatters on the limits; by camping parties, fishermen, hunters and recently by explorers for minerals; also by the passage of railways through or near the timber areas; and by settlers on land, both legitimate and illegitimate. One most fruitful source of destruction I admit at once is the pretended settler buying or pretending to buy land for settlement which in reality is intended for himself, or some pirate lumberman, to cut upon for smuggling off the timber, robbing both the limit-holder and the Crown." Addressing the Canadian Manufacturers Association in Toronto during September, 1907, Prof. B. E. Fernow, of the University Forestry Department, was quite pessimistic in his view of Canadian resources. An estimate of 532 billion feet of lumber, as available for cutting in Canada, was to him so small that it would only supply the United States for a dozen years or Great Britain, which is more frugal in its uses, for 60 years; relatively to its present needs and future requirements Canada was, he thought, really "a poorly-wooded country"; its estimated 800 million acres under wood he did not believe was really more than 300 millions and that was only about one-half of the commercial forest area of the United States.

He looked forward to a period, in fact, about 25 years distant when Canada and the United States would have pretty nearly careered through their entire timber wealth. As to details he declared that any one familiar by observation and reading with the forest conditions of Eastern Canada would subscribe to the following general statement of the situation: "The larger portion of the commercial forest area of Eastern Canada is cut over and culled of its best timber; the major part of the culled area, and especially the pineries, is burnt over—the natural reproduction being mainly of inferior kinds; the supply of spruce for paper manufacture remains relatively the largest item in the commercial timber supply; little or nothing is done to protect or encourage the production of future supplies." Mr. Fernow's conclusion, as an expert in this general subject, was that the necessity for conserving this great resource of the country was paramount and insistent; that only Governments could properly deal with it, as the investment of money in time and amount made private forestry practically impossible; that interference with the holders of timber limits was impossible as to the past but imperative as to the future; that the first stage in the programme of conservation was not re-forestation, or even better methods of lumbering, but a checking of the fire fiend.

The first Forestry Convention held in New Brunswick was opened at Fredericton on Feb. 19th with Hon. L. J. Tweedie, the Provincial Premier, in the chair, supported by Lieut.-Governor Snowball, Hon. A. R. McClellan, Senator G. G. Baird, Dr. J. R. Inch and Mr. J. Douglas Hazen, Opposition Leader. Mr. Tweedie in his address emphasized the importance of the subject by referring to 10,000 square miles of timber lands in the Province as containing 6,000,000 acres and producing a revenue of $250,000 in addition to stumpage and other dues. He spoke of the great loss sustained through the wasteful methods of lumbermen; Mr. Hazen eulogized the work of the forest-rangers who were paid in part by the Government and in part by the lumbermen, and considered that in the extinction of fires alone they had saved millions of dollars; Mr. McClellan advocated a course of school study in tree culture and dealt with its importance to the country. Other addresses at the Convention were those of Mr. E. Stewart, President of the Canadian Forestry Association, who suggested that in future patents of timber lands there should be a proviso keeping at least 10 per cent. of the area in forest; Dr. C. C. Jones, Chancellor of the University of New Brunswick, who urged the education of the younger generation in forestry principles and described what his University had done and was going to do along that line; Dr. Inch, who dealt with the subject as taught in the Public Schools; Lieut.-Colonel T. G. Loggie, of the Crown Lands Department, who spoke of their difficulties with fraudulent applications for settlers' lands and declared the laws regarding forest fires to

be good but not enforced. Other speakers were Dr. G. U. Hay, Hon. W. Pugsley, Hon. C. N. Skinner, Hon. H. R. Emmerson and practical lumbermen such as Robert Connelly, J. Fraser Gregory, W. B. Snowball and James Beveridge.

On the following day a New Brunswick Forestry Association was formed with the announced object of obtaining and disseminating information as to the protection of the timber of the Province from undue and unnecessary exhaustion in the process of lumbering and from destruction by fire; of promoting generally, throughout the country, the re-forestation by private owners of lands through the planting of shade trees, the growth of trees on the banks of rivers and along the sides of highways; influencing the Department of Education to introduce lessons whereby scholars might be taught the need of forest protection and re-forestation and the things necessary to be done in preserving the trees of the country for economic and picturesque purposes. Addresses were delivered by Hon. C. W. Robinson, H. M. Price and William Power, M.P., of Quebec, Professor Austin Casey of Harvard University, C. E. Fish of Newcastle, C. E. Oak of the Miramichi Lumber Co., and others. Resolutions were passed (1) recommending municipalities to adopt a systematic policy of planting ornamental trees; (2) advising the Provincial Government to follow Ontario's example and offer a small bonus for each tree set out along the highway roads; (3) urging encouragement to the movement for planting trees in school grounds; (4) recommending effective laws for the prevention of forest fires by the construction and operation of railways and asking the Dominion Department of Railways to take effective steps in this direction; (5) suggesting the appointment of Provincial Inspectors to supervise lumber camps and operations; (6) proposing that a portion of the New Brunswick public domain be set apart as a forest reservation; (7) recommending the Provincial Government to assist the University of New Brunswick in providing a Forestry course of instruction; (8) urging prompt Government action in the establishment of organized fire protection on Crown lands; (9) demanding that the export of saw-logs and pulp-wood be prohibited. The latter motion was discussed and carried by 28 to 4.

In Ontario, during the year, much interest was felt in the position of affairs within the Temagami Forest Reserve owing to the discoveries of mineral wealth, the rush of prospectors careless of ought save their special mission, and the construction of the Temiskaming Railway in that region, as well as the building of the Transcontinental, the C.P.R. and the C.N.R., all through the northern country of forests. In the Temagami region, with its $50,000,000 worth of forests, there was ready remembrance of the recent destruction of 1,000 square miles of pulp-wood along the line of the Grand Trunk Pacific north of Lake Nepigon. A big staff of fire rangers and officials, numbering 500, were

appointed to prevent further trouble, if possible. Yet fires broke out along the C.P.R. tracks east of Fort William in June and bridges, ties and lumber were alike destroyed. In the Montreal River region the fires involved a timber loss of probably $1,000,000. According to an Ottawa despatch in May arrangements were then being made to clear all squatters off the Dominion Forest Reserves in Manitoba, Saskatchewan, Alberta and the Railway belt of British Columbia, and the organization was started of a permanent staff of Dominion fire rangers.

Early in March Mr. Thomas Southworth, so long connected with the Forestry affairs of the Ontario Government, delivered an address in which he pointed out that the presence of immense areas of forested lands in the north country in one block would not accomplish the object aimed at. Forests to be effective in their influence upon climate, etc., would have to be present also in the southern part of the Province, and it would be far better for the general interests of the community, for climatic reasons, for conditions of water supply, and for local supplies of timber and fuel, that the forested areas should be scattered in the different counties and even in the different townships throughout the Province. These areas should, he declared, be under municipal control and he suggested legislation along the following lines: "That municipalities be permitted to hold in perpetuity for forest purposes such lands as are forfeited to the municipality for non-payment of taxes; that municipalities be permitted to accept in gift and to purchase lands for municipal forest reserves; that municipalities may secure loans on the credit of the Province for the purpose of purchasing lands for forest purposes subject to the approval of the Bureau of Forestry."

At the annual meeting of the Canadian Forestry Association at Ottawa, on March 15th, Mr. E. Stewart, President, was in the chair. Resolutions were passed advising (1) the systematic reforestation of waste lands in the agricultural districts; (2) encouragement to this end, by the various Governments, of popular instruction and the supply of suitable nursery stock; (3) urging the strengthening of fire-ranging staffs and attention to the carelessness of mineral prospectors; (4) suggesting that 10 per cent. of the areas conveyed by Crown patent should be held in forest and the wood only used for home consumption; (5) asking that imported forest trees and seeds be placed on the free list; (6) demanding from railway companies the most modern equipment to prevent fires with an efficient patrol along forested lands; (7) asking immunity from taxation for rough areas retained under wood, or replanted, and the permanent reservation of lands unsuited for settlement. H. E. the Governor-General (Earl Grey) was elected Patron of the Association; Sir Wilfrid Laurier, Hon. President; H. M. Price, of Quebec, President; W. B. Snowball, of Chatham, N.B., Vice-President; R. H. Campbell, of Ottawa,

Secretary-Treasurer. The list of Vice-Presidents who were elected indicated a wide interest taken in the work and objects of the organization: Ontario, Hon. Frank Cochrane; Quebec, Hon. Adelard Turgeon; New Brunswick, Hon. F. J. Sweeney; Nova Scotia, Hon. Arthur Drysdale; Prince Edward Island, Rev. A. E. Burke; Manitoba, Hon. J. H. Agnew; Saskatchewan, His Honour A. E. Forget; Alberta, William Pearce, of Calgary; British Columbia, Hon. Hewitt Bostock; District of Keewatin, the Lieut.-Governor of Manitoba; Mackenzie River District, F. D. Wilson; District of Ungava, Sir H. Joly de Lotbiniére; Yukon, The Commissioner. The membership of the Association in 1907 was 1,222 as against 1,158 in 1906. The retirement of Mr. Elihu Stewart, Dominion Superintendent of Forestry, and founder of the Forestry Association, took place during the year. He was succeeded by Mr. R. H. Campbell, also an active member of the organization.

V.—INDUSTRIAL CONDITIONS AND LABOUR AFFAIRS

Canada as an Industrial Country

The year 1906 in Canada was one of great industrial prosperity, crowding orders and considerable scarcity of workmen. The year 1907 commenced with conditions of activity and continued expansion; proceeded during the first six months with establishments everywhere and in every line of production running to full capacity; with men working overtime, staffs still enlarging, equipment increasing, and orders well ahead. The output of iron and steel and Portland cement was larger than in any previous year; the expansion in the textile industry was marked; the larger flour mills had the most active year in their history; the ship-building industry prospered and the largest vessel yet built in Canada was launched from the yards of the Collingwood Company. Then, in July, the money stringency began to make itself felt; expansion in equipment and output was checked; the later shortage in the Western crop affected payments somewhat though orders continued heavy for a time; the tendency became noticeable at the end of the year to lessen production, reduce staffs in some cases, and adopt shorter hours in others. From an upward range wages came to have a slightly downward tendency. The situation, however, was not a serious one and was in the main regarded as a passing condition. Whatever check to expansion there may have been it did not, as yet, materially affect general conditions of production.

During 1907 an illuminative Bulletin was issued by Mr. Archibald Blue, Chief Officer of Census and Statistics, giving the figures of Canadian industry for 1905 and comparing this data with the Census of 1900. This departure from previous custom was much appreciated and the statistics showed a great expansion in the five years dealt with. The amount of capital invested in Canadian manufactures increased during that period by $386,999,668; the average capital per establishment was $35,957 greater in 1905 than in 1900; the number of employees had increased 44,747 and the salaries and wages by $48,906,228; the average wages for each employee had increased by $89.00, the average salary by $79.00, and the total paid out in wages and salaries by each establishment averaged $5,194 more; the value of production had increased $225,393,203; while the average cost of labour compared with the value of production had slightly decreased—23·54 to 22·95 per cent. The principal statistics for 1905 were as follows:

Provinces.	Establishments.	Capital.	Employees.	Salaries and Wages.	Value of Products
Canada	15,796	$846,585,023	392,530	$165,100,011	$718,352,603
Alberta	120	5,545,821	2,045	1,167,107	5,116,782
British Columbia	459	53,022,033	23,748	11,413,315	38,288,378
Manitoba	354	27,517,297	10,333	5,909,791	28,155,732
New Brunswick	628	26,792,698	19,426	6,581,411	22,133,951
Nova Scotia	909	75,089,191	24,237	9,284,864	32,574,323
Ontario	7,996	397,484,705	189,370	82,415,520	367,850,002
Prince Edward Island	285	1,680,541	2,919	445,676	1,851,615
Quebec	4,965	255,479,662	119,008	47,160,452	219,861,648
Saskatchewan	80	3,973,075	1,444	721,875	2,520,172

It is interesting to note in this connection that a special correspondent of the London *Times* (Dec. 13, 1907) in reviewing Canadian industrial conditions described the essentials of raw material, power, and transport as being largely available in Canada—especially the last two—and expressed the belief that Canadians themselves possessed special manufacturing qualities which included industry, enterprise, initiative, organizing power and inventiveness in a high degree. "They appear to me to possess the faculty of industrial direction in an exceptional degree; and I find the evidence for that not only in individual cases but in the fact that concerns started in Canada by American and British enterprise have a general tendency to pass into Canadian hands. Three influences can be detected as contributing to their character. The first is hereditary disposition; the second is the modifying influence of the climate, or the natural environment; the third is the stimulus of American example. The two first produce a distinctive and particularly effective blend. . . . American example broods like a great shadow over every aspect of Canadian life, especially in the Province of Ontario, and it unconsciously affects every activity. On the whole its influence is unfavourable, and in some things—notably in political life—it is pernicious. Canadians see it themselves and deplore it. In the industrial sphere it is less strong than in some others, but it exists. It shows itself in ill-considered and over-large designs, reckless finance and hurry, and indifference to quality in the pursuit of quantity of output. Canadians need no such stimulus; they are naturally quite adventurous enough without it." In the matter of industrial capital Canada in 1905 had $467,274,905, or 55·19 per cent., invested in land, buildings and plant, and $379,310,118, or 44·81 per cent., in working funds. The number of establishments in urban centres was 7,448 with $630,442,874 of capital, 281,466 employees, $126,932,399 paid in salaries and wages and an output of $541,393,279. In rural areas there were 8,348 establishments with a capital of $216,142,149, employees numbering 111,064, salaries and wages paid $38,167,612, and products valued at $176,959,324. The value of Canadian industrial products by groups, in the two periods under review, was as follows:

Groups of Industries.	1900.	1905.	Increase.
Food products	$125,202,620	$172,017,002	$46,814,382
Textiles	67,724,839	84,370,099	16,645,260
Iron and steel products	34,878,402	52,587,051	17,708,649
Timber and lumber, etc.	80,341,204	109,500,970	29,159,766

Groups of Industries.	1900.	1905.	Increase.
Leather and its finished products	34,720,513	41,201,872	6,481,359
Paper and printing	20,653,028	32,773,880	12,120,852
Liquors and beverages.....	9,191,700	13,928,701	4,737,001
Chemicals and allied products.....	11,437,300	15,290,822	3,853,522
Clay, glass and stone products	7,318,582	13,558,921	6,240,339
Metals, and metal products.....	19,561,261	50,068,669	30,507,408
Tobacco and its manufactures	11,802,112	15,189,720	3,387,608
Vehicles for land transportation	19,971,605	36,911,124	16,939,519
Vessels for water transportation	2,043,668	1,892,253	*151,415
Hand trades	599,329	1,433,753	834,424
Miscellaneous.....	35,607,212	65,721,741	30,114,529
Totals.....	$481,053,375	$706,446,578	$225,696,033

* Decrease.

The location of industries is an important matter, and it would appear that in Canada the distribution at present is somewhat as follows: *Iron and Steel:* New Glasgow, Sydney, Truro and Londonderry in Nova Scotia; Montreal, Radnor and Drummondville in Quebec; Hamilton, Welland, Midland, Deseronto, Sault Ste. Marie and Port Arthur in Ontario; and Winnipeg in Manitoba. *Engineering and Machinery:* Amherst and Truro in Nova Scotia; Montreal, St. Hyacinthe and Sherbrooke in Quebec; Toronto, Hamilton, Brantford, London, Woodstock, Galt, and Peterborough in Ontario; St. John in New Brunswick. *Cotton:* Montreal, Toronto and Hamilton, Marysville and St. John (N.B.). *Wool:* Montreal and Sherbrooke, Toronto and Galt, Amherst and Oxford (N.S.). *Hosiery:* Toronto, Paris, Thorold and Port Dover in Ontario and St. Hyacinthe and Coaticook in Quebec. *Leather* is widely distributed in Ontario and Quebec; *Boots and Shoes* in Montreal, Amherst and St. Hyacinthe; *Paper and Pulp* at Ottawa, Sault Ste. Marie, Shawinigan Falls and St. John, N.B., and elsewhere on various rivers and water powers. *Pottery* is made at Toronto and Hamilton; *Furniture* at Toronto, London, Woodstock, Collingwood and Midland; *Jewelry and Silverware* chiefly at Toronto. According to the Census figures the two great industrial centres of Canada were Montreal and Toronto with eight other cities following at a distance, though with an increase at times which was much greater proportionately—Winnipeg, Peterborough and Vancouver, for instance, more than doubling their production and Winnipeg increasing its capital 330 per cent., Peterborough 289 per cent., and Hamilton 109 per cent. between 1900 and 1905. The statistics were as follows:

Cities.	Value of Capital. 1900.	1905.	Value of Products. 1900.	1905.
Montreal.....	$57,148,661	$94,386,143	$71,099,750	$99,746,772
Toronto	52,114,042	66,520,098	58,415,498	85,714,278
Hamilton	13,494,953	28,232,829	17,122,346	24,625,776
Winnipeg	4,673,214	20,134,057	8,616,248	18,983,290
London	6,824,574	10,898,196	8,122,185	12,626,844
Ottawa	10,358,711	12,704,780	7,638,688	10,641,378
Peterborough.....	3,123,358	12,140,282	3,789,164	11,566,805
Quebec.....	9,588,739	11,902,426	12,779,546	11,388,045
Halifax.....	6,637,888	9,657,792	6,927,552	8,145,016
Vancouver	6,937,722	13,124,593	4,990,152	10,067,566

Further details from these returns showed the chief branches of Canadian manufacture to be in the following order: 1, Sawmilling; 2, flour mills; 3, clothing; 4, butter and cheese; 5, smelting; 6, slaughtering and packing; 7, foundries and machine specialties; 8, boots; 9, lumber products; 10, bakeries; 11, leather; 12, car-works; 13, cotton; 14, printing and publishing; 15, agricultural implements. During the five years in question smelting increased its product in round figures from $7,000,000 to $28,000,000 or 287 per cent.; electrical supplies rose from $3,000,000 to nearly $9,000,000 or 196 per cent.; Portland cement from $765,000 to $2,166,000 or 175 per cent.; iron and steel bridges from $1,693,000 to $3,700,000 or 119 per cent.; axes and tools from $1,000,000 to $2,775,000 or 170 per cent.; lumber products from $10,700,000 to $20,100,000 or 97 per cent. Amongst the new industries appearing for the first time in the 1905 Census were aluminum, $815,000; asbestos, $1,533,000; brass and iron beds, $1,094,000; cement blocks and tiles, $407,000; coke, $1,279,000; dressed furs, $1,970,000; and thread, $1,034,000. Woollen goods, made-to-order clothing, and the bicycle business, were the chief items showing a decrease, while the jewelry output increased from $996,000 to $2,356,000; the value of cigars and cigarettes from $5,332,000 to $8,794,000; and the output of ready-made garments rose from $11,170,000 to $22,012,000.

The highest average production in 1905 was in the refined sugar industry in which four establishments averaged $4,288,065 each. Then came cars and car-works with an average of $4,059,316 in three establishments; flour and grist mills with an average of $3,318,242 in six mills; smelting works with $2,899,707 in each of 4 establishments. Iron and steel products showed an average of $704,364 in 4 establishments; log products an average of $679,960 in 17 establishments; agricultural implements $637,095 in each of 6 establishments; foundry and machine shop products an average of $668,357 in 4 establishments; wood-pulp products an average of $423,189 in 5 establishments. Then came preserved fish, carriages and waggons, hats, caps and furs, bread and confectionery, hosiery and knit goods, averaging between $300,000 and $400,000 in a total of 36 establishments. From the municipal standpoint, the greatest comparative increase during the five years was at Sault Ste. Marie, where there was an advance of 610 per cent. in production. So far as Ontario was concerned, the significant feature of the returns was the growth of small places in industrial production, the Toronto increase being 45 per cent., as against 51 per cent. for the whole Province. To this tale of progress there was another though not very conspicuous side, and the *Canadian Manufacturer* of Toronto did its best to bring the subject to the front. Its contention, in a few words, was that out of 205 industries described in these returns, 66 had suffered a decline in the number of wage earners employed

and 41 industrial towns out of 211 showed a smaller production in 1905 than in 1900. It was also noted that while manufacturing capital and, presumably, industrial equipment had increased about 90 per cent. in this period, production had only increased about 50 per cent. The great industrial growth of 1906 and 1907 (not recorded yet in specific figures) was, however, an evident result of this increased investment and the additional facilities.

Water-powers and Industrial Progress

The one great industrial requirement of Ontario and Quebec has always been coal, and the promise of late years that electric water-power could be utilized to replace that basic resource of all manufacturing industry has been one of the more important developments of the time. Water-power has already been responsible for the development of various localities—of which Ottawa and Sherbrooke are examples and a variety of lumber and pulp and other mills are lesser illustrations. But it remained for electrical transmission to cause many changes and a probably new distribution of industrial life in Canada. Whether the effect will be one of concentration in localities or still greater diffusion is a problem of the future. Taking both the United States and Canadian enterprises it may be said that the electric current generated at the Falls in 1907 ground flour and operated elevators; wood was reduced to pulp and manufactured into paper; soda ash, bleaching powder, carborundum, calcium, carbide, aliminium and other products were manufactured; ship-building, car-wheels, structural steel, steel and malleable iron-casting plants, employed electric power; a malt house used 300 horse-power; a bakery and an ice plant were driven by the electric current; while extensive traction systems near and far were operated and several cities and thousands of houses were lighted. As to distance, Montreal brought 46,000 horse-power 85 miles; Port Arthur, 10,000 horse-power some 22 miles; Sault Ste. Marie used 50,000 horse-power from about 2 miles distance.

Niagara Falls must, of course, be the centre of this great influence in Ontario manufacturing, but many places were independent of the Falls. Hamilton, St. Catharines, Orillia, Ottawa, Bracebridge and Gravenhurst had power supplies locally available, and towns east of Toronto and along Georgian Bay were, apparently, beyond the circle of Niagara's influence. In the latter connection a very valuable Report was issued in 1907 by the Ottawa Department of Mines dealing with the evolution of the Falls, their relation to the Great Lakes, the characteristics of the Power, and the effect of its diversion to industrial and other uses. Prepared with scientific care by J. W. W. Spencer, PH.D., F.G.S., an expert in the subject, it dealt with much that was technical, but also treated many vital points of popular interest and import. One of Dr. Spencer's statements described the average discharge and fall of

water at Niagara. In the years 1860 to 1890 he estimated the volume of water to have been 204,000 cubic feet per second or a range of 4,914,000 gross horse-power. Taking the discharges from 1890 at specific dates a very distinct change was visible. In June, 1862, the discharge of water over the Falls was 238,000 cubic feet per second, or 5,736,000 horse-power; in 1895 the average for the year was 187,000 cubic feet and 4,505,000 horse-power; for the month of February, 1902, the average was 175,000 cubic feet or 4,216,000 horse-power; on Feb. 28, 1902, it was 158,500 cubic feet per second or 3,818,000 horse-power.

Dr. Spencer went on to state that a fall of one foot in the level of Lake Erie reduced the discharge over the Falls by 23,000 cubic feet per second. Through existing Power franchises and the Chicago Drainage Canal 51,200 cubic feet, or 25 per cent. for mean water and 30 per cent. for low water, would be diverted at or above the first cascade. He estimated the total diversion as equal to a fall of three or four feet in the Lake Erie level and added the pregnant statement: "Niagara Falls reached their supreme magnificence by 1900, when the perimeter of the Canadian Falls was 2,950 feet and the American 1,000 feet. The whole is now reduced by encroachment to about 3,500 feet. With the use of the full franchises the entire width of the Falls will be reduced to 1,500 or 1,600 feet, and then they will lie wholly in Canadian territory, except small streams coursing down the ancient river-bed over the Goat Island shelf and the present route of the American channel and falls. But occasional glimpses of the ancient grandeur of the Falls will be seen during exceptionally high water." Lake Erie, owing to the increased velocity of the water, would be lowered at least a foot, and he estimated that the use of one-quarter of the Power franchises had already lowered its level by eight inches. Serious effects on canals and harbours would inevitably follow. On the other hand Mr. J. W. Langmuir, Chairman of the Queen Victoria Niagara Falls Park Commission, in addressing the American Civic Association at Providence, R.I., on Nov. 19th, said: "It should be borne in mind that the works now under construction provide for an ultimate output of nearly 700,000 electrical horse-power, and should this enormous supply in time prove insufficient to meet the public requirements it is quite feasible to satisfy further demands without materially injuring the Falls by granting privileges in the lower river where, both above and below the Whirlpool, advantage may be taken of the physical characteristics of the Gorge to generate power upon a very large scale and under very favourable conditions."

But, as already stated, the Niagara Falls was not the only source of possible electric power in Canada. Speaking to the Toronto *Globe,* on June 20, Mr. Frederic Nicholls said in this connection: "See how magnificently our Canadian cities are situ-

ated as regards water powers and electrical supply. Starting from the east we have Quebec supplied by power developed from several large water-falls. Montreal is supplied by power developed at Shawinigan and Chambly. Ottawa is supplied from the Falls there. Toronto, Hamilton and other Ontario towns are supplied by water radiating from Niagara Falls. Port Arthur is supplied by power developed on the Kaministiquia River, Winnipeg by power developed at Lac du Bonnet, and Calgary from the Bow River. Vancouver and Victoria, on the Pacific coast, are supplied by hydraulic developments in close proximity to each city. Such a state of things is unique; it shows that every large city in the Dominion—across a continent of 3,500 miles—is now absolutely independent of coal supply for the production of its light, heat or power."

At Winnipeg electric water-power cost in 1907 three to six cents per kilowatt hour; at Calgary power charges ranged from 10 to 7 cents per kilowatt hour; at Prince Albert and Battleford, in Saskatchewan, electric power plants were in contemplation; at Fort William the cost of power from Kakabeka Falls was $2.00 per horse-power; at Port Arthur a municipal electric plant developed 24,000 horse-power and supplied small units at $5.00 per horse-power; at Kenora the Lake of the Wood supplied electric power, and at Fort Frances 30,000 horse-power was in process of development from the Albertan Falls; at Bonnington Falls, in the Kootenay, B.C., great success had attended the production of electric power, and on the Shuswap River Falls, near Vernon, a project was under way for producing 5,000 horse-power at a cost of $150,000. So with the Cascade Power Company on the Kettle River and the Kootenay Light and Power Company's scheme for the supply of electric power to the smelters of that region.

In various other directions similar developments were proceeding during the year and the use of water-power was becoming to an ever-increasing degree a factor of industrial effort and progress. Quebec City was covered with a network of electric railways supplied with power from Montmorency Falls, while some of its factories and the bulk of its electric lighting came from the same source. In far-away Vancouver the Canadian Pacific operated some 20 miles of their lines around that City with electric power. Montreal operated its Street Railway and many of its factories and obtained its lighting facilities from the Shawinigan Water and Power Company which, by means of 350 miles of transmission line, could reach a considerable part of the Province. It also, in 1907, operated the mills for the manufacture of asbestos at Thedford and other points while supplying electricity to Joliette, Grand Mere, Sorel, St. Joseph, Berthier and other towns, and operating the extensive local works of the Northern Aluminum Company, the Belgo-Canadian Pulp and Paper Mills and the Shawinigan Carbide Company.

Progress of the Greater Canadian Industries in 1907

Apart from and yet connected with the boundless natural resources of Canada are the elements of industrial success already referred to. In iron and steel manufacture progress has been marked and the possibilities are now very great. In the kindred branches of structural, mechanical, and electrical engineering the future holds much that will be notable. Iron is found in important quantities in almost every Province of the Dominion though smelting has been chiefly confined, as yet, to Nova Scotia, Ontario and Quebec. The Londonderry Iron Company of Nova Scotia, after various mutations dating back to 1853 had, in 1907, extensive works which included a blast furnace (with a daily capacity of 125 tons), rolling mills, coke ovens, a foundry, iron mines and coal areas. The Dominion Iron and Steel Company, of Sydney, N.S., had 4 blast furnaces with a combined capacity of 1,100 tons a day, ten open-hearth furnaces with a capacity of 800 tons and two Bessemer converters as well as rail and wire-rod mills. The Nova Scotia Steel and Coal Company, of New Glasgow and Sydney Mines, had a blast furnace of 250 tons capacity and 4 open-hearth furnaces at Sydney Mines, with a combined capacity of 150 tons daily, and some smaller ones at New Glasgow, together with rolling mils.

Coming to Ontario the earliest important operations along this line were those of the Hamilton Steel and Iron Company which, under another name, blew in the first blast furnace of the Province in 1896. Eleven years later it had two blast furnaces at work with a total capacity of 400 tons daily, 4 fifteen-ton open-hearth furnaces and large rolling mills. The Canada Iron Company at Midland, with one blast furnace and another under construction; the Ontario Iron and Steel Company of Welland, with three open-hearth furnaces and a project under way to smelt ore by electricity from Niagara; the Deseronto Iron Company of Deseronto, with one small blast furnace; the Algoma Steel Company, Ltd., of Sault Ste. Marie, with two blast furnaces in operation, of a total capacity of 500 tons daily, and two Bessemer converters having a combined capacity of 650 tons, together with a large new blast furnace under construction and 4 new open-hearth furnaces of a combined capacity of 150 tons daily in operation; these were the principal seats of the iron and steel industry in 1907. There was, also, the Canada Iron Furnace Company at Radnor Forges, Quebec, with one blast furnace.

During the year under review important additions were made or planned to plants which, in September, were estimated at a total capacity of 2,335 tons a day with furnaces under construction totalling another 1,100 tons capacity. The chief of these new works was the Atikokan Iron Company, Ltd., at Port Arthur and its collateral undertakings in Coal storage and handling, in dock construction and facilities, in iron-mining and blast furnaces and

in other subsidiary industries of the Canadian Northern Railway. Using Canadian ore entirely, with an immediate capacity of 100 tons daily and a prospective one of 250 tons, the Atikokan blast furnace started operations toward the close of the year. The completion about the same time of the Canadian Iron and Foundry Company's works at Fort William for the manufacture of cast-iron pipe and car wheels marked the operation of the sixth plant of that concern—the largest of the kind in Canada. During the year a new rolling mill and puddling furnace was established at Winnipeg by the Montreal Iron-Rolling Mills Co. for the purpose of utilizing scrap-iron, etc. Two similar plants were also organized in Montreal.

According to the Bulletin of the American Iron and Steel Association, Canada produced 44,791 gross tons of pig-iron in 1894, 86,090 tons in 1900, 270,942 tons in 1904, 541,957 tons in 1906. In the first half of 1907 its production was 270,100 tons. The seven Companies (1907) making steel showed a total output in ingots and castings of 706,982 short tons valued at $16,612,-590. In pig-iron the total product (1907) was 651,962 short tons valued at $9,125,226. The Dominion Government's system of bounties commenced in 1895, when $63,384 was paid out to aid pig-iron manufacturers. In 1896 other sums were paid for puddled bars and steel and in 1904 for manufactures of steel. The total paid in 1901 was $467,920; in 1903, $1,401,805; in 1905, $1,540,204; in 1906, $2,050,339; and in the nine months ending March 31, 1907, the amount was $1,299,801. In the calendar year 1907 it was $2,305,295. Some changes were made in 1907 and the bounties were continued to 1910 on pig-iron (Canadian and foreign), puddled bars, steel ingots, and steel wire-rods, with a new bounty of $2.10 per ton on pig-iron made by electric process between 1909 and 1912 and of $1.65 per ton for the same period on steel made by electric process. In this latter connection Dr. Eugene Haanel, Superintendent of Mines, published in May the results of his experiments at the Sault with the thermo-electric process of smelting Canadian iron ores.

The Report showed that the experiments had been very successful and had demonstrated that Canada's large resources of magnetic ores could be as economically smelted as hematite ores by the electric process, and that ores of high sulphur content could be made into pig-iron containing only a few thousandths of one per cent. of sulphur. Dr. Haanel estimated that a 10,000 horse-power plant capable of producing 120 tons of pig-iron per day of twenty-four hours would cost $700,000 and that, allowing for interest and depreciation of plant, the cost of smelting would be $2.43 per ton. Adding the cost of ore, charcoal, expenses, he estimated that a ton of pig-iron could be made for $10.69. The electric smelting works under construction at Welland were expected to produce from thirty-five to forty tons of pig-iron per day.

The Report laid much stress upon the possibility of developing Canada's many iron deposits by means of water-powers throughout the Dominion; pointing out that many water-powers existed in Ontario and Quebec surrounded by iron ore fields. In the matter of subsidiary industrial iron interests reference might be made here to the Angus Car Works, the immense locomotive and car-building shops of the C.P.R. at Montreal; to the McClary Manufacturing Company, of London, with its many branches, its large production of stoves, enamel ware and tinware, its 1,300 employees and pay-roll of $600,000; to the Massey-Harris Company, of Toronto, perhaps the largest agricultural implement manufacturing establishment in the world; to projected car-works at St. Thomas, Ont., and Victoria, B.C.; but space will not permit of more.

Of the three greater iron and steel concerns a word must be said. The Lake Superior Corporation, of Sault Ste. Marie, with its capital stock and bonds of $50,000,000, included the Algoma Iron Works, the Algoma Steel Company, Ltd., the Trans-St. Mary's Traction Company, the Lake Superior Iron and Steel Company, Ltd., and nine other subsidiary concerns. It reported a satisfactory year on June 30, 1907, and for the six months ending Dec. 31st had net earnings of $834,189. The output of the Algoma Steel Company had been 129,442 tons of pig-iron, 222,705 tons of steel ingots, 193,985 tons of blooms and 178,624 tons of standard steel rails. The Lake Superior Iron and Steel Company had been formed to operate the open-hearth furnaces which were started satisfactorily during the year at an expense of $284,000. The Dominion Iron and Steel Company, of Sydney, N.S., with its paid-up stock (common and preferred) of $25,000,000 and mortgage bonds of $9,687,833, reported a surplus of $1,498,539 in the year ending May 31, 1907, as compared with a surplus of $652,594 in 1906 and $71,532 in 1905 and deficits in 1904, 1903 and 1902. For the first quarter of the new year the earnings were $515,833, excluding all dealings with the Dominion Coal Company. For the year ending Dec. 31, 1907, the Nova Scotia Steel & Coal Company had profits of $944,790 as against profits of $960,281 in 1906. Its output of iron and steel was the largest in the history of the concern.

Canadian flour mills had a most prosperous year. In the North-West, using the word in its widest meaning, over 13,000 barrels daily were added to the existing milling capacity, representing the operation of 17 new mills and 3 enlargements and including 10,500 barrels in North-Western Ontario, 100 barrels in Manitoba, 825 in Saskatchewan, 1,850 in Alberta and 325 in British Columbia. On Dec. 31st, 1906, according to the *Northwestern Miller,* of Minneapolis, the capacity of Western Canada was 32,677 barrels daily; on Dec. 31, 1907, it was 46,277 barrels. To this latter should be added 1,115 barrels as the capacity of oat-

meal mills and 3,290 barrels for feed mills—an all-round increase of 40 per cent. in one industry and in the western part of the country alone. One of the larger of these new mills was the Maple Leaf Flour Mills, of Kenora, which was formally put in operation on Dec. 12th. The Lake of the Woods Milling Company, of which Mr. Robert Meighen was President and G. V. Hastings General-Manager, and the Ogilvie Flour Mills Company, of which Mr. C. R. Hosmer was President and F. W. Thompson Managing-Director, continued to vie with one another during the year as the greatest of Canadian milling interests. The annual statement of the first-named to August 31, 1907, and the Ogilvie statement for the same period may be summarized as follows:

Particulars.	Lake of the Woods Co.	Ogilvie Flour Mills Co.
Capital stock	$3,500,000	$3,250,000
Bonds	1,000,000	1,000,000
Trading Profits	618,473	630,685
Surplus	835,345	829,056
Real Property (Assets)	2,958,138	3,725,428
Stocks of wheat, flour, etc.	1,466,400	1,154,164
Trade Marks, etc	993,355	1,250,000
Bills and accounts receivable	443,536	1,118,143
Bills Payable	918,489	193,290
Total Assets	6,302,163	7,487,331

The Lake of the Woods Co. started a new mill at Keewatin in August with an output of 5,000 barrels a day. The new plant and elevator of the Ogilvies at Fort William also came into successful and profitable operation with a capacity of 3,000 barrels. The other Ogilvie mills included two at Montreal, 8,500 barrels; one at Winnipeg, 3,000 barrels; a Corn products mill at Montreal, 1,500 capacity; and an oatmeal mill at Winnipeg, with a capacity of 300 barrels a day—a total milling capacity of 16,300 barrels. The Ogilvie terminal elevators at Montreal, Fort William, and Winnipeg, had a combined capacity of 2,300,000 bushels; its flour warehouses in the same centres totalled a storage capacity of 302,000 barrels; and its elevators in Manitoba and the North-West, generally, had a total wheat storage capacity of 3,005,000 bushels, in addition to that of the terminal elevators. The Montreal Ogilvie Mills were operated by water-power with auxiliary electric power; the Fort William and Winnipeg mills by electric power. The Company had an office in New York as well as at Montreal, and offices and warehouses at Toronto, London, Sarnia, Ottawa, Vancouver, Quebec and St. John. The total output of the Lake of the Woods Company was, in June, 1907, 10,500 barrels daily, which the coming completion of a new mill at Ottawa would raise to 12,500 barrels. In its three great mills, according to a press interview with Mr. R. Meighen, 50,000

bushels of wheat would be required daily to keep the plants in full operation.

The Canadian Textile industry had a most prosperous year. Cotton milling (according to figures given in the *Canadian Journal of Fabrics* for October, 1907) included in 1871 only 8 mills and about 95,000 spindles. In 1885 there were 25 mills, 9,702 looms and 461,748 spindles; in 1899 there were 21 mills, 15,401 looms and 638,212 spindles; in 1907 there were 29 mills, 19,207 looms and 832,437 spindles. During this period the factories devoted to men's clothing and furnishings such as collars, cuffs, neckties, etc., increased largely and in ready-made clothing Canadian manufacturers more than held their own with British cheap woollen goods—until the Preferential tariff evened matters up and introduced greater competition. The carpet industry grew from 7 factories in 1885, with 130 looms mostly operated by hand, to 14 factories in 1907, with 726 looms making high-class as well as cheap carpets. Yet in 1906 Canada imported $4,639,085 worth of carpets from Great Britain as well as oilcloths and linoleums worth $1,187,777. According to the Census figures of 1905 the capital invested in the Canadian manufacture of clothing was $17,925,000; in carpets, $1,351,000; in men's furnishings, $3,891,000. The Canadian Textile Directory was authority for figures which stated that in 1899 there were 45 hat and cap factories in Canada and in 1907 61 such factories; that factories for clothing and men's furnishings had increased from 138 to 314 in number; that women's white-wear factories had grown from 63 to 204; that binder-twine spindles had increased from 1,166 to 2,508. Braid, bag and glove factories also grew on a smaller scale and knitting mills increased from 71 to 120 in number, while woollen mills decreased from 270 in number to 217 and their spindles from 194,086 to 188,254.

Ship-building on the Great Lakes started out well in 1907. The Polson Works at Toronto were busy in the construction of lake boats, dredges, steamers, tugs, steel scows and a high-class steam yacht costing $30,000. The Collingwood Ship-building Company on Oct. 30 launched the new steamer *Collingwood* for the Farrar Transportation Company. It was 406 feet long, 50 feet wide and 28 feet deep with a cargo capacity of 230,000 bushels of wheat, on 20 feet draught of water, and with an ordinary speed of 14 miles an hour in water ballast. In December, 1906, this Company had also launched the *Midland Prince*, the largest Canadian vessel then afloat on the Great Lakes. Of the shipowners on these waters the Montreal *Gazette* stated (Jan. 10, 1907) that: "There are in all 71 vessels under construction, and of these 45 are bulk freighters, with a carrying capacity of 302,000 gross tons, or 6,040,000 tons in an average season of twenty weeks. Of the 71 vessels under construction 19 are being built in Canadian yards.

But three of these are bulk freighters—the *Midland Prince*, launched at Collingwood the other day, for the Midland Navigation Company; another steamer, somewhat smaller, being built in the same yards for the Farrar Transportation Company, of Collingwood; and the third, which will be the largest Canadian-owned vessel on the Great Lakes, being under construction at the Niagara yard of the Canadian Ship-building Co. for the St. Lawrence and Chicago Steam Navigation Co. Of the remaining Canadian vessels one is the rapids steamer being built at Toronto for the R. & O. Navigation Co., two are car ferries, one is a small steamer for the Muskoka lakes, two are scows for use on the Upper Ottawa, and the remainder, ten in number, are being built for different Departmental services of the Dominion Government, which appears to be the most liberal patron of the ship-building yards on the Great Lakes." No large iron or steel vessels have yet been built on the St. Lawrence, or the Atlantic coast of Canada, and there were at the beginning of the year only three steel ship-building yards on the Canadian shores of the Great Lakes. At Bridgeburg, on the Niagara River, and at Fort William, however, preparations for new yards and works were under way, and on the Pacific coast the British Columbia Marine Company carried out contracts from both the C.P.R. and the Dominion Government.

The Portland Cement industry continued its growth during 1907. In 1900 the capital invested therein had been $891,959; five years later it had grown to $8,625,240. The production in Ontario alone advanced from 77,760 barrels worth $138,230 in 1896 to 1,588,815 barrels worth $2,381,014 in 1906. In 1906 the total Canadian production was 2,152,562 barrels; in 1907 it was 2,413,513 barrels with two concerns not reporting. During 1907 a dozen companies were operating plants in Ontario with a total daily capacity of about 10,500 barrels and several new plants were under construction—notably at Weston and Orangeville. In this Province there were cement mills in operation at Owen Sound, Durham, Hanover, Atwood, Ottawa, Lakefield, Deseronto, Brantford and Belleville. There were factories at Hull, P.Q., and Sydney, C.B. In the West the Exshaw plant near Calgary, the Calgary cement mill, the Manitoba plant at Morden, and the Todd Inlet plant near Vancouver, may be mentioned. During the year under consideration the demand for cement grew or was created in many directions—in reinforced concrete buildings, cement walks, bridges, railway culverts, floors for barns and cellars, reinforced telegraph poles, etc. Prices ranged from $1.60 to $1.70 per barrel; the value of the output was, roughly, $5,000,000; much work was created for structural steel mills and electrical equipment concerns and foundries; demands were larger than the supply and financial returns satisfactory. Speaking to the Ottawa *Citizen,* on July 27, Mr. J. S. Irwin, Managing-Director of the International Portland Cement

Co., said: "The general uses for which cement is suitable are increasing rapidly. The revolution that is going on in building operations alone will, in the next few years, create a demand for Portland cement of which the figures would seem incredible. In large buildings concrete has been shown to be a perfect protection for steel against corrosion, and the use of what is known as reinforced concrete combines the best features of steel and concrete as structural materials. The alliance of the two has proven one of the most important discoveries of the age, and the development of this system of construction is marvellous."

In miscellaneous industries the progress of the year, and immediately preceding period, was marked. One of the more important has been indirectly dealt with in connection with Pulp interests. The value of the paper production of Canada must have been over $5,000,000, and in view of the vast resources in pulp-wood and the increasing demand everywhere for paper the industry certainly had every opportunity to prosper. The Laurentide Paper Company, of Grand Mere, Quebec, in 1907, used about 100,000 cords of pulp-wood and the volume of its finished output was $2,500,000. It made over 50,000 tons of rolled news paper, although the Canadian demand was only 27,000 tons and the United States market was practically barred by the heavy duty. As to this Sir W. C. Van Horne, President of the Company, said at the annual meeting on October 15th, when the net profits for the year ending June 30 were found to be $283,321: "The Americans now get their pulp-wood free of duty, and in return they flood our markets with their commodities. This is not the way to encourage Canadian industries. I am in favour of compelling the Americans to manufacture all their paper in Canada just so long as they obtain their pulp from us. One cord of pulp-wood, exported as such, yields to all Canadian interests, including stumpage, cutting, handling and transportation, about $8.00. The same cord converted into ground pulp, at this time and to the same interests, gives $25.00, converted into sulphite pulp it yields at least $26.40, and turned into paper it produces the handsome sum of $44.00." Mr. F. H. Mathewson, President of the Montreal Board of Trade, told that body on Jan. 3rd, 1907, that an export duty on pulp-wood, or the insertion of a manufacturing clause, "would result in the early establishment of great manufacturing concerns and Canada would become, eventually, the greatest manufacturing country in the world." Yet Canada in 1906 imported $3,148,158 worth of paper and paper manufactures and in the succeeding fiscal year of nine months the total was $2,616,355. Only $2,027,620 worth was exported in 1906 and $1,684,007 in the later period. The chief industries of Canada, with some details, stood as follows in 1905—the latest available official figures:

Industries.	Establishments.	Capital.	Employees.	Salaries and Wages.	Value of Products.
Asbestos	11	$8,613,683	1,665	$621,451	$1,513,819
Axes and tools	32	3,664,692	2,120	1,075,079	2,749,151
Bicycles	5	1,036,836	256	132,057	335,425
Boots and shoes	128	11,676,865	13,006	4,675,999	20,209,302
Bread, biscuits and confectionery	268	9,663,658	7,816	3,026,897	16,189,574
Brick, tile and pottery	405	7,110,685	6,510	2,044,495	4,774,305
Bridges, iron and steel	9	3,341,754	1,370	849,846	3,709,092
Butter and cheese	2,958	9,701,839	5,961	1,744,182	32,402,265
Carpets	5	1,351,355	760	274,183	910,340
Car repairs	33	4,702,800	9,616	5,274,744	12,285,780
Carriages and waggons	217	8,910,762	4,881	2,290,633	7,873,381
Carriage and waggon materials	24	2,053,749	965	446,618	1,675,987
Cars and car works	9	14,248,654	7,755	3,746,219	14,430,190
Cement, Portland	15	8,916,689	1,414	703,079	2,271,002
Clothing	964	16,993,576	26,336	9,620,030	31,271,396
Cottons	20	21,938,823	10,450	3,416,812	14 223,440
Drugs	25	2,699,818	887	439,041	2,776,361
Electrical apparatus and supplies	28	14,367,416	4,788	2,489,411	8,960,406
Electric light and power	157	80,393,445	2,435	1,471,061	7,587,899
Fish, preserved	452	7,822,138	18,411	2,872,781	7,871,144
Flouring and grist mill products	832	31,414,540	5,619	3,078,167	56,703,269
Foundry and machine shop products	376	29,896,107	17,672	9,037,579	23,648,754
Fruit and vegetable canning	58	3,476,215	3,785	658,834	3,598,400
Furniture and upholstered goods	157	11,236,615	8,073	3,234,321	8,934,534
Gas lighting and heating	31	10,142,085	951	620,218	2,169,353
Harness and saddlery	65	3,520,493	2,020	971,950	4,329,632
Hats, caps and furs	129	6,789,737	4,557	1,746,859	9,044,146
Hosiery and knit goods	58	6,660,375	4,791	1,568,280	6,670,045
Iron and steel products	42	9,104,988	5,574	2,565,164	9,929,635
Leather, tanned, curried and finished	99	10,807,941	3,466	1,672,376	14,739,889
Liquors, distilled	9	10,209 004	854	489,152	2,343,683
Liquors, malt	89	12,688,948	2,555	1,495,669	8,444,177
Log products	1,321	97,605,078	53,270	20,715,233	67,112,286
Printing, publishing and bookbinding	514	22,157,764	14,869	8,270,108	19,023,353
Musical instruments	31	5,120,276	2,802	1,386,146	3,670,305
Oils	21	3,891,255	895	495,252	4,480,849
Paints and varnishes	25	3,054,202	863	442,396	3,717,181
Paper	31	21,260,157	4,974	2,208,526	9,449,842
Lumber products	482	19,381,019	12,901	6,100,071	20,528,667
Slaughtering and meat packing	54	6,713,110	2,894	1,477,540	27,148,863
Smelting	18	87,476,829	9,845	6,616,900	28,418,328
Sugar, refined	8	13,412,517	1,858	1,109,456	18,268,260
Tobacco, chewing, smoking and snuff	19	4,657,507	2,241	727,854	6,439,725
Tobacco, cigars and cigarettes	114	5,917,895	5,324	2,087,423	8,749,995
Wire	17	3,978,192	1,220	543,449	3,932,384
Wood-pulp, chemical and mechanical	22	11,164,768	2,456	1,023,720	3,793,131
Woollen goods	103	6,808,233	4,587	1,494,679	5,717,735

History and Work of the Canadian Manufacturers Association

A great influence in the evolution of Canadian manufactures has been that of tariffs; a strong factor in moulding and controlling tariffs has been the Canadian Manufacturers Association. A brief history will not be uninteresting here of a body which presents a conspicuous illustration of organization along industrial lines, in the arena of fiscal discussion and in the more recent growth of transportation and insurance work. At first the efforts of manufacturers to organize in Canada were confined to times of depression such as 1849 and 1859 and almost entirely to attempts at tariff change. Then, in 1874, at a time when Reciprocity negotiations were pending with the United States and lower duties upon various articles of manufacture seemed possible, a number of those concerned in industrial affairs got together in Toronto and organized the Manufacturers Association of Ontario with James Watson, of Hamilton, as President, John Maclean, of Toronto, as Secretary, and George Booth, of Toronto, as Treasurer.

Of this comparatively small organization Mr. Watson remained President until 1877, and in the following year its name was

changed to that of the Ontario Manufacturers Association with W. H. Howland as President. He was succeeded by Joseph Simpson in 1879, by Edward Gurney, the still well-known Toronto manufacturer, in 1880 and 1881, by Robert McKechnie in 1882 and 1883 and by R. W. Elliot in 1884. During these years of fiscal struggle the work of the Association was mainly along lines of tariff protection advocacy and it, of course, touched the political situation at more than one point. Some of its Secretaries were prominent and influential spokesmen of the protective idea—notably Mr. Maclean, A. W. Wright, Frederic Nicholls (1882-91) and J. J. Cassidey (1891-1900). Others who held the position during a part of this period were John Kelly and W. H. Fraser. The Canadian Manufacturers Association as such, and under that name, was formed out of the Provincial body in 1885 and Mr. George Booth, who had, with intervals when John Cosgrave and Edward Gurney filled the post temporarily, been Treasurer since 1874, was continued in the position and still occupied it in the year 1907. The succeeding Presidents of the wider and greater organization were as follows:

1885 R. W. Elliot.....Toronto.	1896 A. E. Kemp .....Toronto.
1886 Thomas Cowan ....Galt.	1897 D. W. Karn .....Woodstock.
1887 Thomas Cowan ....Galt.	1898 J. F. Ellis .....Toronto.
1888 W. H. Storey .....Acton.	1899 J. F. Ellis .....Toronto.
1889 W. H. Storey .....Acton.	1900 P W. Ellis .....Toronto.
1890 Bennett Rosamond ..Almonte.	1901 Robert Munro ....Montreal.
1891 W. K. McNaught....Toronto.	1902 C. A. Birge .....Hamilton.
1892 W. K. McNaught....Toronto.	1903 G. A. Drummond..Montreal.
1893 John Bertram .....Toronto.	1904 W. K. George.....Toronto.
1894 W. H. Law .....Toronto.	1905 C. C. Ballantyne...Montreal.
1895 A. E. Kemp .....Toronto.	1906 Harry Cockshutt ..Brantford.

1907 Hon. J. D. Rolland..Montreal.

Mr. Nicholls filled the Secretaryship with an activity and ability which no doubt helped to lay the foundation of his after success in the field of industrial and financial expansion. While taking an active part in politics, and especially in support of the protective tariff policy, he purchased an Ottawa paper called the *Industrial World,* brought it to Toronto and established it there as the *Canadian Manufacturer.* Until 1891, when he resigned to enter upon larger fields of work, Mr. Nicholls remained in charge of this paper and of the affairs of the Association. His place was taken by Mr. J. J. Cassidey, who held the Secretaryship until 1900, when a general re-organization took place—largely under the initiative of Mr. J. P. Murray, of Toronto—and he retired with, however, the control of the *Canadian Manufacturer* still remaining in his hands. The ownership also passed to him, or to a Company, and it was maintained as an independent protectionist and industrial organ.

Meanwhile, the Association entered upon a new stage of its history and organization. The officers prior to 1900 were all

elective—including the Secretary—but the latter was now placed as an appointment in the hands of the Executive Committee and T. A. Russell selected to fill the post. The Association was divided into Committees—Executive, Transportation, Industry and Membership, Tariff, Commercial Intelligence, Parliamentary and Reception. Under date of June 30th, and the auspices of a special Committee of which Mr. F. Nicholls was Chairman, and with the Secretary as Editor, a small monthly publication was issued called *Industrial Canada,* for the avowed object of keeping the members informed as to the work of the Association. The membership fee was placed at $10, and at the August meeting it was announced that the number of members had doubled since the preceding year. In the September issue the objects of the Canadian Manufacturers Association were officially stated as follows: (1) To promote the interests of Canadian Manufacturers and exporters; (2) to secure by all legitimate means the aid of both public opinion and Government policy in favour of home industries and the promotion of Canadian manufacturing enterprises; (3) to enable those engaged in all branches of Canadian manufacturing enterprises to act in concert as a united body whenever action in behalf of any particular industry or of the whole body becomes necessary.

Following this year of increased work and vitality there was a constant change in the Secretaryship of the organization; the experience gained and success won apparently opening the way for more remunerative positions. Mr. Russell retired in 1902 and was succeeded for four years by R. J. Younge, B.A. In 1906 J. F. M. Stewart, B.A., was appointed, and after a year retired and was replaced by G. M. Murray, the present incumbent of the office. Meantime the Association grew in every direction. The list of Presidents indicated this process by the fact of being taken almost alternately from Toronto and Montreal and, in one case, from Brantford. Branches were established at Toronto, Montreal and Quebec; in Manitoba, Nova Scotia and British Columbia. The annual meetings were held from 1900 on to 1907 at Toronto, Montreal, Halifax, Toronto, Montreal, Quebec, Winnipeg and Toronto, respectively. A prominent feature of these gatherings was the annual banquet addressed by leading public men and often marked by pronouncements of policy or of opinion which attracted wide attention.

In 1900 the chief guest was Hon. G. W. Ross; in 1901 Sir Wilfrid Laurier, Mr. R. L. Borden and Hon. W. S. Fielding were the principal speakers; in 1902 the guests included Hon. J. Israel Tarte, Mr. Borden, Major-General Sir C. Parsons, and others; in 1903 they were Sir William Mulock, Hon. W. Paterson, and Hon. G. W. Ross; in 1904 Sir Wilfrid Laurier, Sir C. E. Howard Vincent, Hon. G. E. Foster, Hon. G. W. Ross and Mr. F. D. Monk; in 1905 Sir L. A. Jetté, Hon. R. Lemieux, Sir

Wilfrid Laurier, Mr. Borden and Hon. C. Fitzpatrick; in 1906 Hon. R. P. Roblin and Hon. C. H. Campbell; in 1907 Sir W. Mortimer Clark, Mr. G. T. Blackstock, K.C., Sir Wilfrid Laurier, Hon. J. P. Whitney and Major G. W. Stephens, M.P.P. Meanwhile the membership of the Association had been increasing by leaps and bounds. In 1899 it had been 132; in 1900 it was 342, and in 1901, 820; in 1902 it rose to 1,017, and in 1903 it was 1,272; in 1904 it had increased to 1,511 and in 1905 to 1,839; in 1906 it was 2,104. Its public work and influence increased proportionately until the Canadian Manufacturers Association was able to talk to Governments, to share largely in the Imperial work of the Chambers of Commerce Congresses, to influence political issues and platforms, to aid effectively in "taking the tariff out of politics" and in making protection the permanent policy of the country.

In 1907 the Association met at Toronto (Sept. 24-27) with 250 delegates present from all parts of Canada and the President, Mr. Harry Cockshutt, in the chair. The membership was reported as numbering 2,189; the Transportation Committee urged a re-organization of the Railway Commission; the Parliamentary Committee declared that organized Labour was losing its influence at Ottawa; the Tariff Committee opposed a hue and cry for increased duties in every Canadian industry; the Technical Education Committee asked for a Committee of Experts to study the country's requirements in that respect. The President drew attention to the steady growth of the country in an industrial sense and stated that factories had been kept busy during the year although collections in the West had not been good. He dealt with the conditions of Agriculture and Forestry, Fishing and Mining, and urged the imposition of an export duty on pulp-wood in order "to compel the investment of United States capital in Canadian pulp mills, to provide employment for thousands of Canadian workmen, and ultimately to open the door for the free sale of Canadian pulp in the United States." As to manufacturing Mr. Cockshutt stated some interesting conclusions:

> With the aid of figures supplied me by the Census Department I find that the home consumption in 1901 was approximately $539,953,002; of which Canadian manufacturers supplied $401,221,709, or roughly, 74 per cent. By 1906 the home consumption had increased to $972,930,286, of which Canadian manufacturers supplied $595,830,253, or roughly, 75 per cent. Relatively speaking, therefore, the manufacturers of this country are in the same position that they were five years ago. Their capital has increased, their wage-bill has increased, their output has increased, but their share in the Canadian home market has remained practically at a standstill.
>
> The Trade and Navigation returns give further evidence of the fact that we are not progressing as we should. Compared with an increase in factory production between Census periods of 48 per cent., the imports of dutiable goods, goods which are taxed to encourage their production in Canada, show an increase of 53 per cent. Our export trade shows a regrettable tendency to fall away. Comparing the figures of 1907 with

those for 1906, in the exports of merchandise, there is an actual decrease of $5,862,754. Ever since 1901 our imports have been increasing much more rapidly than our exports with the result that a balance of trade in our favour that year of $6,072,107 has, for the twelve months ending June last, been converted into an adverse balance of $104,476,142.

Such conditions should not obtain in a young country like Canada, for with the variety and abundance of our natural resources, combined with native enterprise, we should easily be able to produce enough for our own requirements and have a substantial surplus to sell to countries that are more thickly populated and less richly endowed. By the adoption of a policy sufficiently protective, such as our Association has always advocated, capital would be irresistibly attracted by the opportunities here afforded. Our home market would be supplied by home industries, manufacturing would become more specialized, the cost of production would be reduced, and a substantial beginning would be made towards the development of an export trade that would successfully carry us over an ordinary period of domestic depression.

Regret was expressed that the Dominion Government did not appear to appreciate these conditions by preparing the tariff to meet a coming period of depression, unfair competition, low prices and larger imports. The financial stringency was described as due in part to over-development and also to an unfortunate combination of circumstances which were not permanent in character. The scarcity of skilled labour was also dealt with and strikes deplored as causing loss to everyone and good to none; while the Railways were criticized for building new lines while the old ones were insufficiently equipped. Following this address elaborate Reports were presented from many Committees and special Resolutions were passed: (1) Asking the Dominion Government to fully investigate the needs and declining condition of the woollen industry and to adopt tariff measures suited to its adequate protection against external competition; and (2) urgently recommending the Government, in view of a growing trans-Pacific trade, to take no hurried action toward the abrogation of the Treaty between Great Britain and Japan. The annual Banquet was notable for an eloquent address on Empire Unity by Mr. G. T. Blackstock, K.C., and for Sir Wilfrid Laurier's reply along the line of "stand as we are." The officers elected and the previously chosen Chairmen of Branches were as follows:

President.....Hon. J. D. Rolland, M.L.C., Montreal.
1st Vice-President....John Hendry, Vancouver.

Provincial Vice-Presidents.

Ontario	R. Hobson	Hamilton.
Nova Scotia	T. H. Cutler	Halifax.
Manitoba	L. C. McIntyre	Winnipeg.
Alberta and Saskatchewan	A. E. Cross	Calgary.
Quebec	D. Lorne McGibbon	Montreal.
New Brunswick	Chas. McDonald	St. John.
Prince Edward Island	F. L. Hassard	Charlottetown.
British Columbia	R. P. McLennan	Vancouver,

Treasurer..... George Booth, Toronto.
General Secretary..... G. M. Murray, Toronto.

Chairmen of Committees.

Tariff	P. W. Ellis	Toronto.
Industrial Canada	C. R. McCullough	Hamilton.
Railway and Transportation	W. R. Dunn	Hamilton.
Parliamentary	John Turnbull	Toronto.
Commercial Intelligence	J. H. Housser	Toronto.
Reception and Membership	G. Frank Beer	Toronto.
Insurance	Alfred Jephcott	Toronto.
Technical Education	S. M. Wickett	Toronto.
British Office	G. W. Watts	Toronto.

Branches.

Toronto	E. J. Freyseng.	Quebec	T. S. Hetherington.
Montreal	S. W. Ewing.	Manitoba	T. R. Deacon.
Nova Scotia	William Levis.	British Columbia	R. P. McLennan.

General Relations of Industry and Labour in Canada

Apart from the acute form of strikes or lockouts the relations of these two great elements in the country's development continued to grow in both importance and interest during 1907. The spectacular and exaggerated success of Labour in the British elections of 1906 had been succeeded by the overwhelming defeat of Socialism in the Municipal elections of 1907; in Australia the success of Labour politicians in preceding elections had been repeated, though not increased, in those of December, 1906, and some 25 members were returned to the House of Representatives and 14 to the Senate; in New Zealand, a country of confirmed Socialism in the milder senses of that much-abused word, compulsory arbitration was found to be not prohibitive of strikes and three serious affairs of that character had occurred; in the United States public interest centred for a time upon the lawlessness and corruption of San Francisco (which had succeeded Chicago as the strongest Union-Labour city in the Republic), and was then transferred to Idaho and the terrible crimes charged against the Western Federation of Miners in the Pettibone, Haywood and Moyer trials. Canada was concerned in this latter condition because the Federation had some influence in the Crow's Nest Mines and at Cobalt; because the failure to punish anyone for the unquestioned crimes in Idaho, though they could not be repeated here, might easily have an element of encouragement to the suppressed lawlessness which everywhere exists in mining camps; because the Labour Congress of Canada was closely allied with United States interests and not only received and heard a delegate of the Western Federation at its annual meeting in Winnipeg but sent a message of congratulation to Haywood upon his acquittal.

Canadian industrial interests have no detailed platform, but their general policy is not dissimilar to that of the United States National Association of Manufacturers which declares in favour of an open shop or the free employment of labour whether Union or otherwise; against all restrictions as to output or the number of apprentices or helpers when of proper age; against the boycott

or sympathetic strike; against any compulsory use of the Union label. At its annual meeting in Toronto the Canadian Manufacturers Association took strong ground in connection with the Government encouragement of farm labourers and other unskilled immigrants and asked if a man who digs a ditch is worth more to Canada than he who builds a house? The scarcity of skilled artisans was urged and vigorous protests were registered against an eight-hour day in Government contract work as being the thin end of the wedge for general legislation along lines which were described as an industrial impossibility. Attention was also drawn to Trades Unionism as pursuing at Ottawa, Quebec and Toronto, "an aggressive course in seeking to further its own interests at the expense of the country at large."

There was undoubtedly much done and said in various parts of the country that was undesirable, or even dangerous, during this year of keen controversy. The ravings of a Roadhouse at Cobalt, the imprudent self-assertiveness of a Sherman at Fernie, the tying-up of railways and sacrifice of public interests in the coal strikes, were instances in point. According to the Victoria *Colonist,* of Mar. 10, workingmen at the Pacific Coast were being miserably misled: "They are being persuaded that every man who does not take off his coat to earn his living, unless he is a labour agitator, is their natural enemy. They are being impressed with the idea that there is a necessary and ceaseless strife between employers and employed, and that the only remedy for existing conditions is what is tantamount to a return to barbarism, although it is not so termed by those who advocate it." Capital was fiercely attacked in many quarters—under the disguise of public ownership pleas, as an incentive to strikes, as a part of the socialistic platform, as a popular policy on the part of some politicians or specific newspapers. The bitter hostility to capitalistic operation in the United States, where in certain directions monopolies have too often been created and powers grossly abused, was transferred to Canadian conditions and frequently applied to normal and reasonable business combinations. A spirit of unrest and revolt spread into departments of life so far apart as mining and domestic service and all Canada shared in a growing degree during this year in the social discontent of the neighbouring Republic.

Men work in many ways—by hands as well as by brains, by capital as well as by organization, and Prof. W. F. Osborne in a Winnipeg address on April 21 said with truth that: "Any man is a labouring man who pays a fair price for what he gets, when what he pays is the product of his own toil or his own care. I tell you the man who makes himself into a demagogue by playing on the passions of his fellows and who doesn't work, even if he holds tickets from a hundred unions, is as much of a sponger, that is to say, non-producer, as the young Oxford or Harvard undergraduate who never earned a cent in his life." If, however,

Labour Unions were seeking too strenuously and remorselessly to make higher wages and to improve their condition without responsibility to the public as a whole, corporations were also and frequently subject to the charge of being aggregations of men without conscience or care for any interest except that of money-making. To whatever degree such allegations were true in Canada it may be safely said that the conditions were rarely worse than that of simple selfishness; they hardly ever touched the depths of tyranny or gross abuse of power. As to Unionism the greater evils were imported; the benefits were in the natural results of co-operation.

Speaking to the Labour Council of Halifax on May 9th the Rev. Dr. Magill strongly advised Canadian workmen to look to British precedents and practice. "There, trade unionism offers to the working class what clubs do to the rich. The Unions have established libraries, gymnasiums, billiard halls and smoking rooms. They have built up schools, colleges and universities for the sons and daughters of the labouring class. There, men have become educated and competent through the advantages of education provided by the trade unions." To the Toronto *News* of June 20th Dr. Goldwin Smith very succinctly summarized Labour conditions in England and Canada. As a Liberal and a friend of Labour in the former country he said: "It is true that I was one of those who heartily upheld the cause of the unions, believing them necessary to enable workingmen to negotiate upon fair terms with their employers. Generally, I hope our party did its best in the interest of the workingmen. But we never thought of setting on foot a monopoly of labour in the hands of self-constituted and self-regulated associations. We never dreamed of putting an end to freedom of labour, or persecuting any man for earning his bread in his own way, or making the best use of his natural powers."

When it came to details in these relations there were many difficulties to adjust. The workman had to contend with the greater cost of living; the employer with the higher wages and increased price of materials as well as additional living expenses. The Union men contended for the natural right to better themselves; the employers claimed that they also tried to hamper business operations and injure financial credit; the workman wanted shorter hours and the manufacturers claimed that he also wanted to give inefficient labour; the Unions denounced organization and combination amongst capitalists but refused to admit any legal or financial responsibility for their own Associations. Upon this latter point a notable decision was given by the Court of Appeal of Ontario in confirming (April 22, 1907) Mr. Justice MacMahon's verdict of $7,500 damages in the famous Metallic Roofing Company's case against the Sheet Metal Workers' Union. It was a charge of boycotting laid in 1902 against the local Union

and its individual members and afterwards made to include the International body. Tried in various Courts and through devious delays it finally reached the result described. Leave to appeal to the Privy Council, without putting up costs, was also refused.

The problem continued to be discussed from month to month and from every point of view. Two elements, however, apart from strikes, compelled special attention—the scarcity of labour during most of the year and the continued increase in wages. It was estimated during January that 40,000 men would be required in railway construction alone and for many months thereafter; in the harvest fields of both east and west there was a chronic shortage in the supply; in many factories throughout the country there was a call for more skilled labour. British Columbia needed men badly on the fruit farms, in the lumber camps, at the canneries; in this connection the Hindoo immigration of 1906 was swallowed up and the Japanese invasion of the new year readily utilized. Mr. William Whyte, of the C.P.R., urged the importation of Chinese for domestic service, laundry work and agriculture; Mr. R. Marpole, of the same Railway, described in an interview on Jan. 17th, the value of Chinese to the fruit farms of the Province and declared that without more labourers British Columbia would suffer seriously. A Resolution of the Montreal Board of Trade on Jan. 23rd urged the temporary withdrawal of the head-tax so as to meet this demand at the coast, and throughout the country, for unskilled labour. The Victoria Board of Trade was convinced of the great scarcity of men and, early in the year, appointed a Committee to investigate the local conditions. At the same time the ordinary workmen on the streets of that city expressed a profound conviction that there was no shortage; only a desire amongst employers to get cheaper labour.

A meeting of the Victoria Trades and Labour Council passed a Resolution to this effect on March 15th and also denounced all Asiatic immigration with vigour. A Committee which this body appointed to inquire into the alleged scarcity of labour did so by correspondence with Vancouver, Greenwood, Fernie, and Seattle in the United States, and it declared that none existed. In April the Fraser Valley industries appealed through the press for more men; the Railways and lumber mills of the Province claimed to be always more or less in need of labour. During this month the Committee (already referred to) of the Victoria Board of Trade—H. F. Bullen, J. W. Amberry, T. W. Paterson, W. J. Pendray and Anton Henderson—started a public investigation of the matter. Representatives of the fruit interests, lumber mills, farming interests, industrial concerns, sealing companies, ship-owners and builders, cannery-men, iron-works and mine-owners, all proclaimed a shortage of labour and the crippling of business and enterprise as a consequence. The evidence was publicly taken and it seemed to run almost entirely along this line. Latterly

the question was obscured by the rise of the anti-Japanese issue although the Board finally passed a Resolution referring to the gravity of the situation and asking (1) that the head-tax on Chinese be reduced; (2) that the Provincial and Federal Alien laws be immediately suspended; (3) that the Provincial Government take steps to inform the industrial centres of Great Britain as to the labour requirements and conditions in British Columbia; (4) that some plan of assisted immigration for farm labourers, unskilled workmen and domestics should be promoted.

Elsewhere in Canada the scarcity, apart from the widespread railway issue and the harvest requirements, was largely a matter of locality. In Toronto Mr. John Firstbrook, Chairman of the local Branch of the Manufacturers Association, in his retiring address on July 11, declared that the City and its industries were badly handicapped for want of skilled labour. The Government had refused to encourage the immigration of any but farm hands and railway employees. "This policy would," he added, "inevitably throw the splendid markets of the rapidly developing North-West into the hands of United States manufacturers and had compelled the Canadian Manufacturers Association on Feb. 1st to open a Labour Department in London, England. In the short space of five months since then over 800 skilled workers had been contracted for to come to Canada and of these nearly 300 had arrived to date. Toronto was getting her quota but they were a mere pittance to the industrial thirst. The situation demanded the same aggressive Government policy in encouraging the immigration of skilled labour and factory hands, generally, that was pursued in the case of agriculture. From investigations carried on by the Branch two months before it was conservatively estimated that there was employment for 25,000 additional girls in Ontario alone, of whom 10,000 could easily be absorbed in Toronto."

In August the West wanted thousands more of labourers in the fields and the mines than could be obtained. The scarcity in Manitoba was general though not, perhaps, acute. Speaking to the *Free Press,* on Aug. 14th, Mr. Obed Smith, Immigration Commissioner, said: "Farmers who could get along with one man last year, need two this year in many cases, because they are breaking up a larger acreage. Then, again, we have to fill vacancies of men who leave labouring and go home-steading. I think, however, that we should have had quite enough this year were it not for railway construction. Canada, as a whole, is suffering for want of more of the labouring class. In Ontario it is just as bad as it is here." This general statement was confirmed by the *Labour Gazette* (January, 1908), which stated that during the early months of 1907, and despite the large immigration, "the demand for labour was considerably in excess of the supply."

With the coming of autumn, however, a great change took place. The financial stringency checked expansion, the tightening of Banks in their dealings with customers affected production, the reduction of plants and expenses, however slight in details, multiplied largely over the national area and men, instead of being scarce, became first of all plentiful and then too numerous for the work available. The staff of the Angus Car Works at Montreal, employing many thousand men, was considerably reduced though announced as only a slackening from the high-pressure work of the summer; several thousand men employed on railways were, naturally, laid off for the winter, though many of them went into the lumber camps; from Berlin, London, Peterborough, Stratford, Hamilton and Guelph in Ontario, Sherbrooke in Quebec, and Phœnix in British Columbia, came reports in November of men being discharged and others put on shorter hours; in Toronto, as winter approached, the skilled as well as unskilled men out of employment, varied in supposed numbers from 600 up to 3,000 and of these carpenters, painters, bricklayers, plumbers, piano workers and railwaymen were the most numerous; in Manitoba during November all demands for labour were said to have been supplied and in December organizations were busy helping the unemployed; in Vancouver the winter found a good many white men without work, many more constantly arriving from Seattle and other United States points, and relief works in operation with grants of Government and Municipal aid. Of course, much of this trouble was due to unabsorbed immigration and also to the influx of unemployed from United States points affected by the financial collapse of the year in that country. In Toronto it was claimed by manufacturers that part of the total was made up from unfinished strikes and in part by men always out of work in winter owing to the nature of their employment.

Meanwhile, and through most of the year, the price of labour—wages in almost every line of manual work—continued an upward course. During the Census periods of 1900 and 1905 official figures showed a heavy general increase. In the former year 339,173 employees in Canadian Industrial establishments received salaries or wages totalling $113,249,350 and averaging $333.00 each; in 1905, 383,920 employees received $162,155,578, or an average of $422.00 each. Taking the figures in another way the number of employees (salaries and wages) increased during the five years by 12 per cent., the amount of salaries and wages by 45 per cent., and the average per worker by 27 per cent. The value of the product, per employee, in 1900, was $1,398; in 1905 it was $1,832; or an increase of 31 per cent. A few details compiled at random from these tables show that workers in boots and shoes increased their average individual earnings from $345.50 to $358.90; makers of men's clothing from $193.50 to $383.50;

workers in foundry and machine shops from $431.30 to $510.10; workers in log products from $246.50 to $382.50; plumbers from $388.70 to $781.10; printers and book-binders from $492.60 to $572.40; smelting employees from $630.10 to $654.70; woollen factory employees from $304.00 to $324.80. Separating the salaries from the wages the average of the individual worker's return does not appear so large. In 1905 the average wage for male workers was $415.05; for female workers $218.01.

Between the years 1905 and 1907, however, a still further and much greater increase took place. In the proportion of increase the wages of workmen jumped far above the salaries of clerks, etc. During 1907 all kinds of interests continued the pressure upon employers for more and still more wages. In Toronto prolonged negotiations between printers and their employers resulted in all-round increases; in Montreal, Quebec, Halifax and Vancouver longshoremen struck, or threatened to strike, for larger wages, and in one or two cases got them; in the Le Roi Mines and in the Coal Mines of Lethbridge and Fernie higher wages were obtained; in the Toronto Street Railway employees under a three year agreement received an increase totalling $84,000 a year; in Ottawa mill-owners offering lumbermen $26 a month, with board, found it difficult to get them for the winter of 1907-8; in Toronto the brewery workers, iron-moulders, plasterers and leather workers obtained increases early in the year. The following table was compiled by the Toronto *World* of Nov. 1st as showing the local increases per hour during the previous four years:

Occupation.	Cents.	Occupation.	Cents.
Plumbers	40 to 45	Plasterers' labourers	27½ to 30½
Carpenters	30 " 33	Sheet Metal Workers	27½ " 35
Machinists	24 " 25	Stonecutters	45 " 50
Plasterers	45 " 50	Ironmoulders	27½ " 30 and 33½
Bricklayers	45 " 50	Boilermakers	20 " 22
Electricians	27½ " 32½	Blacksmiths	.. " 22½
Builders' labourers	23 " 27½	Structural Iron Workers	30 " 32½

Brass Moulders .... 5 to 10 per cent.
Coremakers ..... $2.50 per day to $2.75.
Maltsters ..... $11.50 per week to $12.50.
Teamsters ..... $42.00 per month to $44.00.

With the close of the year came a check in the process of expansion though not apparently a permanent one, and the Rossland miners set an interesting example in voluntarily accepting a reduction of wages. Quite a number of important industrial establishments throughout Canada economized by working on shorter hours, all round, instead of dismissing their men. In Ottawa wages of log-makers dropped $5.00 a month; in two Brantford concerns unskilled labour fell from $1.50 to $1.33 per day; in Chatham one firm cut its wages 25 per cent. Other instances might be cited but the movement was by no means general and it is unnecessary to say more here.

An incident of the year was the indication, here and there, of a development of Socialism. It was unlike the strong advocacy in Great Britain, the sensational upheavals in the United States,

or the wild principles enunciated by a Tom Mann in Australia; but it found expression in the outbursts of a small section of the Labour party in British Columbia; in occasional and unsuccessful municipal candidatures elsewhere; in the mild form of popular support given to public ownership principles; in the more distinct shape of an occasional press attack upon capital and all its works. In Toronto, at the first of the year, James Lindala polled 8,000 votes in a campaign for Mayor and upon a nominal platform which denounced the professional class and preachers as "intellectual parasites," advocated the abolition of "wage slavery" and urged the establishment of collective ownership of lands and machinery. But the vote was unquestionably given as a protest against the re-election of the Mayor and not as a support of the policy which had a normal vote in that City of about 300.

In Cobalt and in British Columbia the Western Federation of Miners, a frankly socialistic body with a struggle of the masses against the classes as its basic principle, showed some influence during the year but not beyond a somewhat limited circle. During the Provincial elections in British Columbia Socialism exhibited much more strength at public meetings and in the newspapers than it did in votes polled. The Labour party split entirely upon the question and only a small proportion supported the socialistic candidates. At the Winnipeg meeting of the Trades and Labour Congress the subject was presented by Mr. James Simpson, of Toronto, who dealt at length with what he termed the "common ownership of the means of production and distribution"; while Mr. R. P. Pettypiece, of Vancouver, supported him and spoke of the Socialistic party in British Columbia as based on "the collective ownership of property"—the public acquisition of mines, canneries, and forests. Some representatives of this socialistic body at the Coast were understood to have refused to toast the King's health at the ensuing banquet on Sept. 18th, while the Vancouver *Guardian,* a paper started during the year by Mr. Joseph Martin, K.C., along lines of Labour and Socialism, made itself conspicuous on Dec. 26th by a fierce attack upon Mr. Dunsmuir, the Lieut.-Governor of the Province, for the management of his Vancouver Island Collieries. Mr. J. Keir Hardie, Labour leader in the British Commons, addressed some Canadian meetings during the year and, at Vancouver on Aug. 2nd, declared that 22 out of the 32 members of Parliament in his party were Socialists. He preached the straight doctrine of "down with capital and capitalists." In Montreal a proposed May Day procession and celebration under the red flag of French socialism was forbidden after Archbishop Bruchesi had issued an address to his people on April 20th which referred as follows to a demonstration in the previous year and to the general principles involved:

> We will observe, however, that there was manifest in that demonstration the affirmation of false and dangerous doctrines which have been

formally condemned not only by the Church but by reason and the experience of centuries as well. As a matter of fact the right of private property is one of the bulwarks on which society rests, and it is precisely this property right which socialism is now combatting. Even more, it strives to show that mere possession is the cause of all injustice and of all crime and by this reasoning they seek to impregnate the heart of the masses with sentiments of hate, of envy, and of vengeance, capable of engendering the most deplorable disorders in our midst.

Another point of importance in the relations of Labour and Industry was the question of admitting American and Canadian workmen to the Dominion or the Republic, as the case might be, and the influence of United States Labour agitators and organized funds in Canadian strikes, etc. In the Senate at Ottawa, on Feb. 7th Hon. James McMullen spoke in connection with his measure to make it an offence, subject to a fine of $100, for any one not a British subject to interfere in a Canadian strike or to be appointed on a Board of Conciliation. He declared himself as not opposed to Labour unions, or strikes when considered necessary, but he did object to Americans being allowed to come in and encourage men to strike and organize disturbances. Employers were forbidden by the Alien Labour Act from bringing in men to take the place of strikers. It was only fair, therefore, that workmen should be forbidden to bring in agitators to organize strikes. There was no objection to American financial aid being sent to Canada to aid Canadians in labour disputes, but agitators should be kept out. "The C.P.R. had recently called for tenders to repair a steamer on the Pacific. A Victoria firm got the contract and a Seattle firm tendered unsuccessfully. Soon afterwards the men in the Victoria ship-yard struck for an eight-hour day with nine hours' pay. It was pretty well understood that the Seattle firm had taken an interest in the affair. A strike was brought on, and the blacksmiths went out in sympathy with the shipwrights on orders from the head office of the Blacksmiths' Union, in Kansas City!" The measure was rejected on Mar. 20 by a vote of 20 to 15; the Senators supporting Mr. McMullen (a Liberal) being Messrs. G. B. Baker, T. A. Bernier, Joseph Bolduc, C. E. B. de Boucherville, Thomas McKay, Peter McLaren and Sir M. Bowell (Conservatives), and G. A. Cox, James Domville, William Gibson, John Lovitt, J. H. Ross, G. W. Ross and Joseph Shehyn (Liberals).

In Toronto during a strike of the Cab drivers in April the matter was under the organizing control of an international officer named Minehan, and Mr. Mayor Coatsworth created some controversy by refusing to discuss the subject with him as being a foreigner. The Toronto *News* (May 8) took strong ground against any attempt at exclusion of American organizers or officials under present conditions or unless there should be a serious effort on their part to injure Canadian industries. In the Toronto printing controversy of this month the local Typographical Union

rejected an arrangement made by the International body, but the matter was afterwards adjusted without serious friction. In the strike of the G.N.W. Telegraph Operators at Toronto during August it was publicly announced at one stage of the struggle (Aug. 19) that the Chicago organization to which they belonged had taken up the affair with ample funds to carry it on. In Montreal an interesting judgment was rendered as to the Alien Labour Act in its exclusion of imported labour from the United States under contract. Two prosecutions for infraction of this law were instituted before the Court of Special Sessions by Gustav Francq, President of the National Trades and Labour Council, and seven actions for seven penalties of $1,000 each were instituted by the same complainant in the Superior Court against the Dominion Car and Foundry Company, Limited, and its officers. The Company in defence pleaded that the establishment of a plant for building steel cars was a new industry in Canada, that skilled labour for that purpose could not be obtained here, and that they should, consequently, be exempted from the provisions of the Act and allowed, for the prosecution of their industry, to bring skilled steel-car builders from the United States. Judge F. X. Choquett sustained the defence and dismissed the actions.

In the November Session of Parliament Senator Lougheed introduced a measure somewhat similar to the preceding one by Mr. McMullen, making it a criminal offence for any one not a Canadian or British subject to incite workmen in Canada to go out on strike. The Bill was defeated by a considerable majority, and President Gompers of the American Federation of Labour, in his annual address (Nov. 12) described it as being intended to operate against any aid being given by the United States labour men to Canadians actually on strike. In this connection Mr. P. J. Loughrin, a one-time organizer in Toronto for this body, told the press on Nov. 13 that he had been denounced and dismissed by Mr. Gompers because he had advocated the prohibition of the export of Canadian logs to United States mills—in the interest of Canadian labour. In the Vancouver riots against the Japanese United States influence was dominant. During the Cobalt strike, which was carried on in a most intermittent manner, there was only an occasional reference in the press to its initiation by the Western Federation of Miners; though the violent language of an American agitator named Roadhouse had caused legal proceedings against him and some others and the imposition of fines for breaking the regulations of the Conciliation Act. In this general connection Mr. J. E. Hardman, M.E., an authority upon mining conditions, wrote to the Montreal *Herald* of July 20 as follows:

> The ordinary citizen of Canada has no conception of the power and method of the Western Federation of Miners. The men working in the mines at Cobalt unfortunately had sufficient knowledge of both the power and methods referred to, and immediately the strike was declared left the

district in hundreds, in the great majority of cases not because they were dissatisfied with the wages and treatment they were receiving from the employers; but because of their fear of this Western organization that had reached out its powerful hand from a foreign country to dictate to them on what conditions they should or should not accept employment, or allow their fellow-workmen to accept employment in this Canadian mining camp. It is pretty well known at Cobalt that fifty per cent. of the men that quit work did not know what they quit for. Seventy per cent. of them did not want to quit, and the whole situation was brought about by a minority, probably not exceeding twenty-five per cent., which minority was under the control of the Western Federation of Miners.

The Lemieux Act and Other Labour Legislation of the Year

The Coal strikes of 1906 and 1907 precipitated Government and Parliamentary action along the lines of an attempt to regulate the relations of employer and employees in the conduct of all enterprises which in their nature, necessity, or operation, affected the public as a whole. In 1901, following upon the strike on Railways in which the public suffered both danger and inconvenience, Sir William Mulock, then Minister of Labour, had proposed legislation which applied the principle of Compulsory Investigation to controversies between Transportation companies and their employees. The indifference of Canadian employers and the opposition of organized labour resulted in the measure being withdrawn, but in 1903 an Act was passed which provided that upon the requisition of either party to a Railway dispute the Minister of Labour had power to compel an investigation under oath into the causes of the difference. The public's interest was further protected by providing that any Municipal Council could request this compulsory investigation and that the Minister of Labour himself, upon his own volition, could institute it. Since the passage of this Act only on one occasion had there been an inquiry into the causes of any difference and there had been no serious interruption to traffic as a result of strikes. When, therefore, the fuel shortage and transportation troubles of three years later supervened it was natural that Mr. Mackenzie King, in examining into the conditions of the moment for the Labour Department, should recommend, and the Government extend, the principles of this law to the operation of Coal Mines.

This was done in a greatly enlarged form by the Act presented to Parliament on Dec. 17, 1906, by Mr. Rodolphe Lemieux, Minister of Labour and Postmaster-General. Compulsory investigation was the basis of the proposed law. It contained a provision making it an offence for any person to incite others to declare or continue a strike or lockout prior to, or pending, a reference of the dispute to a Board of Conciliation and Investigation under the Act. The difficult question of the rights of employees to be members of labour organizations and of employers to employ men, whether members of labour organizations or not, was dealt with in the special provision that it should be an offence for employers

to declare a lockout simply because any of their employees were or might become members of labour organizations, and that it should be an offence for employees to strike simply because an employer employed some person other than a member of a labour organization. The Bill applied to strikes and lockouts in all mines or public service utilities, including agencies of transportation or communication such as railways, whether operated by steam, electricity or other motive power, steamships, telegraph and telephone lines, gas and electric light, water and power works. It also contained provisions whereby a dispute in any industry or trade, whether belonging to the classes specified in the Act or not, might be, on consent of the parties, brought within the provisions of the Act. It provided for the constitution of Boards of Conciliation and Investigation to deal with disputes between employers and employees upon the reference of either party to the controversy. Two of the members of the Board were to be appointed on the recommendation of the parties to the dispute, the third member by the two so appointed, or by the Minister of Labour in case they failed to agree. The Boards were given power to summon witnesses, take evidence under oath, compel the production of documents and to commit for contempt; in short, they received all the powers of ordinary courts in dealing with civil matters.

The second reading of the measure took place on Feb. 14, 1907, and was marked by an able speech from Mr. Lemieux covering much ground, including varied and useful information, and giving an exhaustive survey of labour legislation and industrial conditions. He declared that the press of Great Britain, Canada and the United States, as a whole, approved his proposed legislation; quoted the New York *Tribune,* Brooklyn *Eagle,* Lethbridge *Herald,* Toronto *Globe* and Montreal *Star* in this connection; described the trade disputes of Canada in mining, transport, street railways, telegraphy and telephony as increasing from 14 in 1901 to 28 in 1906; stated that they had in that period involved 100 disputes altogether and 47,397 workpeople; and quoted many utterances upon labour and industrial conditions. Mr. R. L. Borden, in his comments, referred to Conservative policy in Labour matters and, especially, to the printers' strike in Toronto led by E. F. Clarke in 1872 which had resulted in Sir John Macdonald's Act making strikes legal when violence was not used; criticized the present measure as compulsory arbitration in disguise; described the power given the Governor-in-Council to declare any specified industry subject to the conditions of the Act and a public utility under its terms, to be an excessive power; promised, however, the assistance of the Opposition in making the Bill a fair and useful measure.

The succeeding discussions in the House were numerous and in the country still more so. The " open shop " clause, forbidding

discrimination against a workman because of membership in a Union or striking against an employer because of the employment of other than Union men, was vigorously opposed by the Labour interests. On Mar. 1st Mr. Lemieux, though personally still approving of the Clause, stated that there had been so much opposition expressed that he would withdraw it. The clause prohibiting strikes and lockouts pending reference to a Board of Conciliation was modified so as to permit of such strike in the event of the Board itself failing to agree; and that providing for unchanged conditions in the parties to the controversy pending the Board's decision was amended so that employer or employees could give 30 days' notice as to any change in wages, hours, and conditions of employment.

The measure, as a whole, was approved on Feb. 14 by the Toronto Trades and Labour Council; prolonged controversy with railwaymen as to their inclusion in the Act resulted in the Minister offering a compromise on Mar. 11th under which they would only come under its operation when failing to accept the services of the Railway Labour Disputes Act of 1903. The measure passed after varied changes and amendments of which the principal ones have been briefly mentioned. One point raised by the Opposition in the House was afterwards a subject of open discussion in more than one labour dispute—the power of enforcement. The Act, however, was specific in its fines of not less than $100 or more than $1,000 a day for any lockout created by employers contrary to its provisions and of not less than $10 or more than $50 for any employee contravening its regulations. So with any outsider who might incite, encourage, or aid such action. Upon the whole the operation of the new law during the year under review proved to be most satisfactory, and it reflected credit upon the Minister and his Department. The Act received the Royal Assent on March 22nd, and during the balance of the year the following requests for the establishment of Boards of Conciliation and Investigation were made:

Month.	Applicant.
April	Cumberland Railway and Coal Company, Springhill, N.S.
April	Management of Western Coal Mining Companies.
April	Machinists in the employment of the Grand Trunk.
May	Employees at Springhill Mines.
May	Shipping Federation of Montreal.
May	Longshoremen of Montreal.
May	Coal Miners, Lethbridge, belonging to United Mine Workers of America.
May	Steamship Agents and Companies, Halifax.
June	W. A. Marsh Company, Quebec, Boot and Shoe Manufacturers.
June	G. T. R., Montreal, regarding Locomotive Engineers.
July	Springhill Miners—second and separate application.
July	I. C. R. in dispute with freight-handlers.
August	Employees, Montreal Cotton Company, Valleyfield.
September	Railway Telegraphers, C. P. R.

Month.	Applicant.
September...	Mining Employees at Moyie, B.C.
September...	Hillcrest Coal and Coke Company, Hillcrest, Alta.
September...	Mine-owners, Hosmer, B.C.
September...	Employees, Rosamond Woollen Company, Almonte, Ont.
November ...	Mine employees at Taber and Strathcona, Alta.
November ...	G. T. R. regarding Telegraph employees.
November ...	C. P. R. regarding Western Car-men.
December ...	Employees, McKinley-Darragh Mining Company, Cobalt.
December ...	Workers in Fur, Montreal.
December ...	Enginemen and other employees of C.N.R.

All these cases were dealt with in one way or another and a number of Boards of Conciliation and Investigation were appointed. The most notable was that in connection with the Coal strike in the West, and nearly all were successful in effecting a settlement of some sort. Speaking at the banquet of the National Peace Congress, New York, on April 17th, Earl Grey paid the following tribute to this legislation of the Canadian Government and Parliament: "They have recently enacted a law which has made it an offence for the forces of labour and capital to resort to a lockout or strike without first having a preliminary investigation into the subject of dispute. Although the Act came into force only on Mar. 22, it has already averted, on three occasions, an industrial war which, but for this Act, would have engendered feelings of angry bitterness, would have arrested the peaceful development of the arts of industry, and would have left traces of privation and misery in the homes of thousands." Mr. Wallace Nesbitt, K.C., stated in the press of May 20 that: "I think the Act is a very great step forward in the settlement of the vexed question of industrial disputes. If acted upon, in my judgment, it will in nearly every case stop either a strike or lockout. It is a trite saying that there are two sides to a story, and the people are interested in knowing, when a quarrel springs up, as to what the other side has to say. The Act accomplishes this by bringing the parties together and an adjustment then becomes easy. Popular opinion will do the rest."

At the Trades and Labour Congress in Winnipeg approval by a large majority was expressed regarding the principle of the Lemieux Act, and it was declared to be "in consonance with the oft-expressed attitude of organized labour." The Brotherhoods of Railway Trainmen and Locomotive Engineers, however, registered their opposition to the measure "in its entirety." Writing to the Minister of Labour on Oct. 17th, Mr. Duncan McCormick, K.C., who had seen something of the workings of the new Act in Quebec Province, said: "Without any hard and fast code of judicial procedure, the Act provides a platform for broad and unfettered discussion, where each party feels a freedom of individuality that in itself tends to conciliation and to the creation of a mental atmosphere that inevitably makes for good-will and mutual understanding. Strange as at first sight it may appear,

the very elasticity of the arrangement is, in my opinion, the secret and warranty of its success. In the hands of men temperamentally fitted to adjust disputes, the absence of any arbitrary element in the process of settlement, without doubt, works out successfully in the direction of amicable agreement." To the Convention at New York of the National Civic Federation (Dec. 18), S. L. Landers, of the United Garment Workers of Canada, declared this to be " the best measure yet enacted in the interests of capital and labour;" at the same meeting President C. W. Elliot, of Harvard University, described it as " the best piece of industrial and social legislation produced in the last two decades "; at the Canadian Club, Boston, on Nov. 16th, Dr. Elliot had expressed similar opinions; and in McClure's magazine for December he had an article upon the subject in which the following advantages of this Act, over any existing legislation in the United States, were enumerated:

1. There is no arbitration in it, compulsory or otherwise.
2. It prevents sudden blows aimed by capital at labour or by labour at capital.
3. It prevents the sudden cessation of industries which have to do with such necessaries of modern life as fuel, the means of transportation and communication, the lighting of towns and cities, and water and power supplies.
4. It makes it necessary for the aggressor in an industrial dispute to have a well-considered case which will bear thorough publicity.
5. It informs the public which ultimately bears, in higher prices, the burden of all industrial warfare, about the causes and issues of every industrial dispute.
6. At the same time it leaves unimpaired the right of any group of men to combine for mutual advantage and to lock out, or strike, after full public inquiry.
7. It tends to prevent or restrict secret machinations on the part of both employers and employees, because both know that publicity must come at last.
8. It gives opportunity, through the intervention of an impartial public authority, for reasoning and conciliation, the removal of misunderstandings, and an amicable settlement.

Other legislation of the Dominion Parliament during its 1907 Session included various measures dealing with labour and industry. Among these were Bills relating to the provision of pensions for retired employees of the Intercolonial Railway; the protection of wages under contract in the construction of the National Transcontinental; the construction and maintenance of public cold storage warehouses; the inspection of meats and canned goods; the payment of bounties on the manufacture of iron and steel; the deportation of prohibited immigrants; the protection of workmen by more stringent regulations as to the disposal of intoxicating liquor in the vicinity of public works; the offences of seamen and apprentices; the better inspection of steamboats. A measure to limit the hours of labour in connection with contracts on public works failed to pass and a Bill respecting the establishment of

Industrial and Co-operative Societies was referred to a Special Committee which collected a mass of evidence bearing on the question; heard a full description of La Caisse Populaire de Levis* —a most interesting and successful experiment in what might be termed co-operative banking—from its President, Mr. Alphonse Desjardins; and listened to a careful address from His Excellency Earl Grey, as President of the International Co-Operative Alliance, which was crowded with facts bearing on the matter.

The Committee was composed of Hon. R. Lemieux (Chairman), Hon. A. B. Aylesworth, Ralph Smith, H. Bourassa, A. Verville, H. Gervais, K.C., J. H. Sinclair, G. V. White and F. D. Monk, K.C. Besides hearing the Governor-General and Mr. Desjardins the Committee had heard testimony as to Canadian conditions from F. O. Dugas, M.P., W. L. Mackenzie King, C.M.G., G. H. Perley, M.P., and others. It came to the following general conclusion in a Report dated April 11: "That co-operation offers very great advantage to the farming classes, particularly in certain branches of agricultural pursuits, such as dairying, market gardening and fruit culture. Co-operation has also proved of great use in the purchase by farmers of agricultural implements and fertilizers. Your Committee found that co-operation offers a means for the labouring classes to purchase, under the most favourable terms, the necessaries of life and the articles required for the exercise of any trade. It also provides a system by which the wage earners can either build, or acquire, their own homes by means of small loans from credit and saving societies." In the Senate measures dealing with alien interference in Labour troubles, providing that masters and mates on Canadian vessels shall be British subjects, giving workmen special time to vote at elections, making barges subject to inspection, and placing additional restrictions in the Steamboat Inspection Act, failed to pass.

In connection with Dominion legislation and Dominion influence in the settlement of Labour troubles much credit was due to the Department of Labour and to the well-directed, capable exertions of its Deputy Minister, W. L. Mackenzie King, whose work had been recognized in 1906 by the honour of a C.M.G., and whose tact found full scope for exercise in the working out of Hon. Mr. Lemieux's Industrial Disputes legislation of 1907. Early in February an excellent Secretary to the Department was appointed in the person of F. A. Acland who, for many years, had been connected with the Toronto *Globe*. The Annual Report of the Department for the year ending March 31, 1907, contained much information as to conditions in general and its operations in particular. In October Mr. Mackenzie King was sent to England to try and obtain legislation checking fraudulent representations

*Note—Established in 1900 this institution began with 50 members and assets of a few cents. During the next five years its members were lent a total of $199,527 of which $167,610 had been repaid, and the concern had never lost a cent.

as to Labour conditions, etc., in Canada and the consequent encouragement of immigration for which there was no real place. Lord Elgin and Lord Strathcona gave every aid to his mission and it resulted in the following clause being inserted in a then pending measure—the Merchant Shipping Bill: "If any person by any false representation, fraud, or false pretence, induces or attempts to induce, any person to emigrate or to engage a steerage passage in any ship, he shall for each offence be liable to a fine not exceeding £50 or to imprisonment with or without hard labour for a period not exceeding three months." On July 4 the Board of Trade of Berlin, Ont., tendered a most successful banquet to Hon. Mr. Lemieux and his Deputy Minister.

Reference must be made here to Mr. R. L. Borden's effort along the line of Labour legislation. On Jan. 9th he moved in the Commons for the appointment of a Select Committee of nine to fully investigate and consider the question of legislative provision for "the prevention and settlement of disputes between employers and workmen to the end that strikes and lockouts, resulting in loss of life and always entailing privation and suffering, may be prevented." In a short speech the Opposition Leader reviewed labour conditions in Canada and thought the best way to deal with Mr. Lemieux's proposed legislation was to have such a Committee as he suggested to consider it. The Minister of Labour retorted that his own Department, its reports from all over the country, and the information supplied by the *Labour Gazette* afforded sufficient basis for action and for his measure. An amendment was moved by Mr. Ralph Smith and carried on Feb. 25, by 78 to 40 votes, declaring that Mr. Lemieux's proposed extension of the Conciliation Act, 1900, and the Railway Labour Disputes Act, 1903, in principle and application, was quite satisfactory.

As to Provincial legislation concerning labour there was a good deal of a direct or indirect character. In Ontario, at the 1907 Session of its Legislature, Acts were passed providing for a Board of Examiners and certificates of qualification for stationary engineers; a consolidation of the Companies Act clearly defined the liability of Directors for wages, and established a special privilege in the winding-up of corporations; various enactments prescribed the relations of Companies and public utilities; and a bounty was authorized, for five years, of $60,000 a year on the refining and smelting of nickel, $30,000 on cobalt, $60,000 on copper and $15,000 on arsenic. A Committee of the Legislature, appointed on Feb. 11 and composed of Hon. N. Monteith, Hon. R. A. Pyne, G. Pattinson, W. K. McNaught, T. H. Preston, A. Studholme, J. R. Dargavel, E. J. B. Pense and J. B. Tudhope, reported late in March that out of 397,000 children in the Province only 58 per cent. attended school, while out of 250 places which should have Truancy officers, only 75 had appointed any.

The Committee recommended the uniform age of 14 for Shops, Factories and Truancy Acts; consolidation of Factories and Shops Acts and extension of operation to laundries and all other places in which work for wages is done; provision for inspection of hotels, concert halls, etc., with respect to employment of child labour; increase of staff of inspectors; municipal enforcement of Truancy laws; certificate as to age fitness from specified persons; legislation as to more complete returns of births; limitation of hours employed in accordance with the nature of work; legislation governing street trade, newsboys, etc., and as to children attending theatres.

In Quebec the age limit for the employment of boys in factories was raised to 14 years or the same as in the case of girls, and every girl, so employed, under 16, was required to be able to read and write; new regulations were enacted as to the more adequate inspection of boilers, motors and steam pipes; a Special Commission was appointed to inquire into the better protection of victims of industrial accidents; a measure was enacted reaffirming Provincial legislation as to the Lord's Day and specifically permitting any person to perform any act not forbidden by law previous to the coming into force of the new Dominion law on March 1, 1907; considerable amendments were made in the Act taxing Commercial corporations, companies, associations, firms, etc.; and increased penalties were prescribed for selling milk of bad quality to manufacturers of butter and cheese.

Nova Scotia amended its Coal Mines Act so as to afford greater protection to employees and provided, in particular, for the use of safety lamps in mines; the conditions affecting employment of stationary engineers were improved with additional safe-guards; a technical education system for the Province was established; provision was made that if 25 per cent. of the employees in a mining or manufacturing establishment selected a certain physician he had to be accepted by the Company and a monthly deduction from the wages paid to him. In New Brunswick legislation was passed providing for the organization and incorporation of Fishermen's Unions throughout the Province; provision was made for improving the housing accommodation of Miners in proximity to the line of the New Brunswick Coal and Railway Company; owners or managers of creameries or cheese factories were authorized to make rules for the regulation of their business which, when accepted by patrons, became binding upon them; and further protection or compensation was given to workmen in the matter of contributory liability on the part of a fellow-employee.

In Manitoba additional protection was provided for children by raising the age limit for penalties against ill-treatment, to 16 in both sexes and forbidding keepers of billiard and pool rooms to admit a minor under the age of 18 years; providing that future Government contracts should contain clauses securing the pay-

ment of "fair wages" to workmen; providing fuller protection for the wages of employees in case of writs of execution against their employer. In Alberta the new Railway Act guaranteed the payment of the current or fair rate of wages to workmen employed on railways subsidized by the Province, prohibited any agreement between a railway and its employees as to immunity from liability for personal injury, or releasing the Railway because of any contribution to Insurance funds or Provident Societies; amendments to the existing law insured a better inspection of steam boilers and a more efficient certificate for engineers; all kinds of corporations and business concerns were placed under Provincial taxation; machinery was provided for the incorporation of associations for the manufacture of butter and cheese; workmen's wages were made a privileged claim in assignments for the benefit of creditors. Saskatchewan, through its Legislature, provided a Mechanics' Lien Act similar to those in other Provinces and placed a variety of taxation upon corporations and business companies.

British Columbia by its Labour Regulation Act, 1907, provided that no person could be employed in or about any smelter, in connection with smelted ores, stag or matte, for more than 8 hours in any 24-hour period running from midnight to midnight, and imposed a penalty upon both employer and employee not exceeding $100 nor less than $20 for each workman so employed; provision was made for the better protection of children, the erection of "curfew districts" under petition of four-fifths of the inhabitants, and forbidding children to be on the streets alone in such districts after nine in the evening; commercial travellers in connection with imported liquors and tobaccos were put under trade licenses of $100 for six months and $300 for a year; various industrial establishments—including canneries—were made liable to special taxation, and amendments were made affecting the existing taxation of mineral claims, trading stocks, and financial corporations, while the municipal taxation of certain vehicles was permitted. An Act was presented, but not passed, which proposed to establish a general eight-hour day.

Conflicts of the Year between Labour and Capital

There were 149 industrial disputes in Canada during 1907 which involved directly, or indirectly, 34,972 men and a loss of working hours totalling 613,986. In 1906 there had been 138 such disputes involving 26,014 workmen and, in the seven years beginning with 1902, the total number of disputes was 858. Of the controversies in 1907, 54 ended in favour of the employers and in each of 34 cases a compromise was effected, while in 34 others the results were in favour of the men. Of the remainder 16 were indefinite and there were three unsettled at the close of the year.* In the seven years (1902-7) 291 disputes were settled

*NOTE—*Labour Gazette*, January, 1908.

in favour of the employers and 201 by compromises. There was no rioting or loss of life reported during 1907 as a result of these troubles and some strikes were terminated and more averted by the operation of the new Industrial Disputes Investigation Act which came into force during March. Of the proportion of population affected it may be added that the average percentage in Canada was 43 out of every 10,000, or exactly the same as in the United States.

The most important of the strikes of the year was that of the Western Coal Miners. In December, 1906, seven Companies in Alberta and the southern part of British Columbia—the Crow's Nest Company, the International Coal and Coke Co., the Western Canadian Collieries, the Canadian-American Coal Co., the Breckenridge and Lund Coal Co., the H. W. McNeill Co., and the Pacific Coal Co.—united in forming the Western Coal Operators' Association. These concerns employed 3,450 men, had a daily output of about 9,000 tons of coal and 3,500 tons of coke, and furnished most of the coal used for domestic purposes in the Provinces of Alberta and Saskatchewan and for transportation and industrial purposes in southern British Columbia. Most of their miners were members of the United Mine Workers of America. During March, 1907, a prolonged conference was held at Calgary between those concerned with a view to effecting new arrangements, with some uniformity of rates and conditions, at the different mines. Agreement, however, was found impossible and both Companies and miners applied for Boards of Conciliation and Investigation. Boards were appointed for each Company and then consolidated with Sir William Mulock as Chairman. Meanwhile, on April 15, some employees of the Crow's Nest Coal quit work, others followed, and in the course of a week they were joined by all the 3,400 miners concerned; although they refused to call the movement a strike.

A telegram to the Minister of Labour from the Calgary Board of Trade was at once sent urging immediate action, pointing to the output of coal as having ceased, manufacturing plants as about to close and the situation as the most serious in the history of the West. Similar messages were despatched by the Winnipeg, Regina and Toronto Boards of Trade. On Apr. 19th Mr. Mackenzie King, Deputy Minister of Labour, proceeded to Fernie to use his good offices in effecting a settlement; a little later Hon. W. H. Cushing, Alberta Minister of Mines, visited Fernie and addressed the miners; on Apr. 30 Sir William Mulock arrived and the Conciliation Board was convened; on May 6 the miners returned to work after voting a two years' agreement by 744 to 112. Some wage increases were given in the agreement, signed by all the Companies and the officers of the District Union concerned, but no reference was made to the question of employing non-union labour. These troubles caused wide discussion and

much unrest in Western business circles; much disturbance of industry and injury to financial interests; much discomfort to those who had to suffer from want of fuel; and much delay in transportation. A feature of the controversy was the extreme distrust of each other shown by employers and employees alike and another was the almost insolent attitude towards the Government as well as the Companies assumed by F. H. Sherman, District President of the United Mine Workers of America. In reply to the Minister of Labour's expressed hope on April 16 that the miners would return to work pending action by the Conciliation Board, Sherman replied as follows.

Your advice late. Over two hundred men quit mines on their individual initiative. Our people believe investigation will be a big farce. Impossible to hold men at work since operators decided to ignore district union and posted notices on pit heads calling for reductions of from ten to forty per cent., together with longer hours and harsher conditions. Since your Government refused to enforce law at Taber, our confidence was shaken and our men simply gave notice and drew their time. We hope to get another conference this week with operators and hope for speedy adjustment. Who is going to enforce the law if operators decide to break the same? You are extremely careful not to commit your Department to enforcing the Act. Men will not resume work until settlement is reached on just basis.

One of the chief influences in affecting the final settlement was the refusal of the head of the Mine Workers in the United States to endorse Sherman's action in this affair—proved by President John Mitchell's telegram of April 16th to Mr. G. G. S. Lindsey, of the Crow's Nest Company, that he had wired the men to remain at work and by other incidents. As the men were already out the telegram had no immediate effect, but Mr. T. L. Lewis, Vice-President of the Order, then came upon the scene and various conferences followed between the operators and the miners. In connection with certain statements in the Commons, and others made by Sherman, Mr. Lindsey, on behalf of the Western Coal Operators Association, wired Hon. Mr. Lemieux on Apr. 22nd that: " The only notice posted by the Operators was a copy of the schedule attached to the Operators' application to you for the appointment of a Board of Conciliation, giving the statutory thirty days' notice, receipt of which notice you acknowledged on Apr. 13th. Sherman has used this necessary statutory notification to our employees as a pretext to incite all miners to go on strike. Any statement that no strike exists is absurd in the face of the fact that the men have all quit work in all the collieries. At the direct notification and request of Sherman and his officials every local union has held a meeting and by concerted action, and in direct and open defiance of the law, which they know thoroughly, they have caused a cessation of work at every mine and established as complete, open and deliberate a strike as ever existed anywhere. President Mitchell and Vice-President Lewis, of the United Mine

Workers of America wired Sherman on Apr. 16 to have the men remain at work, but Sherman carefully concealed this fact from our employees."

In his address to the Board on May 6 Sir William Mulock pointed out that the work of conciliation just ended could have proceeded as well and with the same results if the men had stayed at work. Public opinion, he said, demanded that such a course should not again be followed. Mr. Sherman then posted a notice ordering the men to "end their vacation and resume work immediately." Following the increase of wages in this connection there was an increase of about 15 per cent. all round in the price of coal—and the Western consumer had to pay the cost of settling the strike and meeting the demands of labour. Another echo of the trouble was Mr. Lindsey's wish, as stated in the press, that a full investigation had taken place so that the public would have understood accurately the relations between the Companies and their men. A strike of 1,250 coal miners at Springhill, N.S., lasting from Aug. 1st to 31st Oct., and involving the loss of $200,000 in wages, caused much interest, some inconvenience and considerable loss in Nova Scotia. It was finally settled through the intervention of a Board of Conciliation. In Toronto 104 firms and 500 employees were concerned in a general strike of plumbers which commenced on May 15 with higher wages and the employment of union labour, alone, as the issues. No definite settlement took place, but by November all the employers had either come to terms with their men or filled all vacancies. A strike of machinists began in Toronto on June 8th with 50 firms and 750 men involved and a reduction in working hours as the chief issue. By the end of September it was disposed of in the same way as the plumbers' strike. There were other strikes, or efforts at striking, or serious difficulties demanding adjustment, during the year, but most of them gave way to the conciliatory policy of the Department of Labour, with its Deputy Minister, Mackenzie King, and its Secretary, F. A. Acland, working steadily under the terms of the Disputes Act. The following were the Boards of Conciliation and Investigation asked for and appointed during 1907:*

Parties to the Dispute.	Chairman.	Representative of the Men.	Representative of the Company.	Result.
Western Coal Mines Operators and Miners....	Sir William Mulock ..	J. L. Parker, F. B. Smith	L. P. Eckstein.....	Agreement by negotiation.
Grand Trunk and Machinists	Prof. A. Shortt	J.G.O'Donoghue	Wallace Nesbitt, K.C...	Settlement by Board.
Springhill (N.S.) Miners.	Mr. Justice W. Graham	R. B. Murray...	P. S. Archibald	Disagreement.
Springhill (N.S.) Miners.	Judge Patterson.....	R. B. Murray...	P. S. Archibald	Followed by strike.

* NOTE—The Chairman was selected by the other two members of the Board or if they were unable to agree he was appointed by the Department of Labour.

Parties to the Dispute.	Chairman.	Representative of the Men.	Representative of the Company.	Result.
Shipping Federation, C.P.R. and Montreal Longshoremen	Archbishop Bruchesi	Joseph Ainey	G. W. Stephens, M.P.P.	Settlement by negotiation.
G.T.R. and Locomotive Engineers	Prof. A. Shortt	John Cardell	Wallace Nesbitt, K.C.	Settlement by Board.
Intercolonial and Freight Handlers	Prof. W. C. Murray	R.E. Finn, M.P.P.	Henry Holgate	Settlement by Board.
Montreal Cotton Co. and Employees	Mr. Justice T. Fortin	Wilfrid Paquette	Duncan McCormick	Settlement by Board.
Metal Miners at Moyie, B.C.	Judge P. E. Wilson	S. S. Wilson, K.C.	J. A. Harvey	Settlement by Board.
Hilcrest Coal Co. and Miners	Hon. C. W. Fisher	F. H. Sherman	J. R. Macdonald	Agreement by negotiation.
Hosmer Mines and Employees	Judge P. E. Wilson	F. H. Sherman	F. B. Smith	Settlement by Board.
C.P.R. and the Railway Telegraphers	Prof. A. Shortt	J.G.O'Donoghue	Wallace Nesbitt, K.C.	Settlement by Board.
Taber (Alta.) Mining Companies and Employees	Mr. Justice C.A. Stuart	F. H. Sherman	S. A. Jones	Settlement by Board.
Taber (Alta.) Mining Companies and Employees	Mr. Justice C.A. Stuart	F. H. Sherman	Joseph Shorthouse	Settlement by Board.
Taber (Alta.) Mining Companies and Employees	Mr. Justice C.A. Stuart	F. H. Sherman	Robert Duggan	Settlement by Board.
C.P.R. and Western Carmen	Prof. E. Odlum	J. H. McVitty	A. M. Nanton	Settlement by Board.
Strathcona Coal Co. and Employees	G. S. Montgomery	F. H. Sherman	F. L. Otter	Settlement by negotiation.
G.T.R. and Railway Telegraphers	Prof. A. Shortt	J.G.O'Donoghue	Wallace Nesbitt, K.C.	Not settled at close of year.
McKinley-Darragh Mine and Employees at Cobalt	Prof. A. Shortt	J. A. Welch	E. C. Kingswell	Not settled at close of year.
C.N.R. and Enginemen	Prof. A. Shortt	J.G.O'Donoghue	F. H. Richardson	Not settled at close of year.

These were the chief Labour troubles of the year, although there were a few others which might be mentioned. The strike at Richelieu Mills, Chambly Canton, Que., began on Apr. 1st and was settled later by negotiations in which Messrs. Victor du Breuil and F. A. Acland, of the Labour Department, shared with advantage to the cause of peace. The difficulty between the Alberta Railway and Irrigation Company and its employees in May was settled by agreement while the request for a Board of Conciliation was being considered at Ottawa. In the dispute at Halifax between the steamship companies and the longshoremen Mr. du Breuil was sent down and succeeded in effecting a settlement. The settlement of a strike in the Copper Mines at Marble Bay, Texada Island, was effected largely through the efforts of Mr. H. C. Alexander, a local magistrate. The trouble between the Miners at Springhill, N.S., and the Cumberland Railway and Coal Company, which commenced on August 1st and resisted the

efforts of two Boards of Conciliation, seems to have been largely one of want of information, and when this was finally given, the men resumed work on Oct. 31st.

A strike of cabmen occurred in Toronto on Apr. 22nd and lasted for a week or two. At first it caused some inconvenience, but seems to have gradually dwindled out. The liverymen refused arbitration or any arrangement with the men collectively. At the Dominion Coal Company's mines in Cape Breton a strike of some 800 employees belonging to the Provincial Workmen's Association commenced on Mar. 20 and was based upon a refusal to work with non-union men. The Company would not, however, make any discrimination in respect to their men and they were able in time to start operations again. In Toronto a five years' arrangement between the printers in the Typographical Union and the Publishers' Association was effected in July under which an average increase in wages was granted to the men. A prominent feature of the Longshoremen's strike in Montreal, as at Fernie, was the contention of the men that they had "resigned" or were merely "quitting work," and were not on strike; at Valleyfield the cotton operatives claimed they were taking a "general holiday." This, of course, was intended to meet possible danger from the new Disputes Act.

In connection with the strike of the Telephone girls at Toronto in February a Royal Commission was appointed composed of Mr. Mackenzie King and Judge Winchester. The Report was made public on Sept. 12 and described the Company's treatment of its employees as oppressive and injurious to their health; stated that the girls were justified in resisting a proposed change in the conditions of employment; advised an independent inquiry by medical experts as to the working conditions of such female employees; declared two hours at a stretch to be long enough for this kind of work, and strongly criticized the proposed extension to 5 hours; advised an age limit of 18, better ventilation of rooms, etc.; found a leakage of information through the "listening board" to have been clearly proven, and recommended the application of the criminal law to any news improperly obtained or divulged as a result of this system. To the dispute and strike at Cobalt some general reference has already been made. The Cobalt Miners Union was formed on Mar. 24, 1906, as No. 146 of the Western Federation of Miners, and the trouble commenced at the end of June, 1907, with a strike at the Nipissing Mines. On July 6 a new schedule of wages was issued by the Mine Managers generally and with uniformity as its announced object. The total pay-roll was increased considerably, though some of the Mine owners refused to accept the schedule and a majority of the miners in the properties affected went on strike. A few days later Mr. Acland, of the Labour Department, was on the scene and did his best to effect a settlement. Nothing definite was done, however,

and the strike simply dragged its way through the summer toward a gradual collapse and individual Company arrangements with their men. At one time there were 2,500 men said to be out, and many good miners left the Camp for other points. The central figure in the troubles was Robert Roadhouse—a Socialist and demagogue, a violent and loud-mouthed talker, the organizer and alien leader of the strike.

An incident of the year was the legal ending of the Buckingham troubles of 1906.* The trial of Alex. McLaren, the wealthy lumberman of that place, who, with the local constable and bailiff, was charged with manslaughter, took place on Feb. 23rd and resulted in an honourable acquittal. The Judge held that the shots fired by defendants at the time of the riot were in self-defence and were justified. In Montreal, as to the rioters themselves who were associated with the killing of Detective Warner during the troubles of October, 1906, they were at first discharged on technical grounds, but on being brought before Magistrate Talbot, of Hull, a second time on Nov. 19th, 1907, were found guilty of rioting and sentenced to two months' imprisonment. The Ottawa *Citizen* commented upon this case and judgment as follows: "The sentence of sixty days' imprisonment pronounced upon the men found guilty in connection with the Buckingham riot marks the ineffective conclusion of probably the most serious case of its kind in the criminal annals of Canada. It is a most regrettable assertion to have to make, but, from the coroner's inquest to the conclusion of the case yesterday, the proceedings were little better than a travesty."

Labour Organizations in Canada during 1907

According to the Census of 1901 there were then in Canada 226,001 workmen in the industrial field of labour, 23,898 in the mining field and 144,005 in that of trade and transportation. From the total of 400,000—to which another 100,000 might have been added by 1907—the Unions chiefly recruited their membership. The membership itself was variously estimated. The Trades and Labour Congress at its annual meeting in Winnipeg announced its membership at 32,907, belonging to 515 unions, with 42 other trades and labour councils holding charters from its authority. Its own estimate of approximate membership was 150,000. There were also a number of other Associations of trade unions in Canada—the National Trades and Labour Congress with 28 chartered branches, the Provincial Workmen's Association of Nova Scotia with 47 lodges, the Grand Council of the National Association of Marine Engineers with 10 branches, the Canadian Association of Masters and Mates with 8 branches, the Hotel and Restaurant Employees National Congress and Bartenders National League of Canada with 8 branches, the Federation of Textile Workers and La Fédération Canadienne de Cordonniers with 14 and 13

*NOTE—See *Canadian Annual Review*, 1906. Page 208.

branches, respectively, the Fishermen's Union of Nova Scotia, with 18 local organizations, and the Threshers Protective Association of Ontario with 11 branches.

All these organizations combined included 1,593 local unions of which 1,346 were affiliated with central United States associations. It may be added that opponents of unionism in the country placed its total membership at an outside figure of 50,000. However that may be, the Trades and Labour Congress, representing the larger part of Canadian Union labour, met in its 29th annual Convention at Winnipeg on Sept. 16th and was welcomed by the Premier of Manitoba, and others, to the Prairie Province. Addresses were delivered by Kempton McKim, President of the local Council, by R. S. Maloney, representing the American Federation of Labour, by H. J. Jaxon, representing the Western Federation of Miners, and by R. C. Owens, of Edmonton, on behalf of the Canadian Society of Equity, a socialistic farmers' organization in Alberta of about 3,000 members, which was seeking affiliation with the Congress. After addresses from the President, Alphonse Verville, M.P., of Montreal, and Allan Studholme, M.P.P., of Hamilton, reports were received from the various Provincial Executives. For the year ending Sept. 30 the increase in membership had been 5,330, while the receipts had grown from $5,747 to $7,474. During this period the Brewery Workers, Leather Workers on Horse Goods, Electrical Workers, Bridge and Structural Iron-Workers, Bakery and Confectionery Workers, and the United Brotherhood of Carpenters and Joiners—all international organizations—had affiliated their Canadian branches with the Congress.

The Congress first discussed its relations with the American Federation of Labour under which it paid from membership fees $3,000 a year to the United States organization and only received a grant of $500 in return for legislative purposes. A Resolution was passed urging the modification of this arrangement. A Resolution was passed as to the Canadian Society of Equity and other unaffiliated farmers which urged union with the Congress and co-operation generally. It was unanimously decided to endow a room in the Sick Children's Hospital, Toronto, as a memorial to the late D. J. O'Donoghue, to whose recent death many references were made. A socialistic Resolution in favour of "absolute independent political action on the part of the working class with the collective ownership of the means of life as its ultimate aim" was defeated by 51 to 39 votes; so also was one asking members of Labour organizations to refrain from joining the Militia. The following officers were elected for the ensuing year: President, Alphonse Verville, M.P., Montreal; Vice-President, James Simpson, Toronto; Secretary-Treasurer, P. M. Draper, Ottawa. The Vice-Presidents chosen were: J. C. Watters, of Victoria, for British Columbia; J. F. Laheney, of Coleman, for Alberta; Hugh

Peat, of Regina, for Saskatchewan; W. J. Bartlett, of Winnipeg, for Manitoba; F. Bancroft, of Toronto, for Ontario; Gus Francq, of Montreal, for Quebec; J. F. Foy, of Halifax, for Nova Scotia. Some 70 Resolutions were presented and referred to a Committee. Of these the principal ones passed may be summarized as follows:

1. Asking the Trade Councils and Local Unions to contribute enough funds to appoint an agent in England for the purpose of refuting "manufacturers' misrepresentations" as to the Labour market in Canada.
2. Condemning the disturbances at Vancouver as "unworthy of an Anglo-Saxon people," asking the abrogation of the Treaty with Japan so far as Canada was concerned, and urging the immediate restriction of Japanese immigrants to not more than 500 in any one year.
3. Re-affirming the principle of the present poll-tax of $500 on Chinese and objecting to its refund on any pretext.
4. Asking the Dominion Government to prevent the further entry of East Indians, or Hindus, into Canada "as tending to a lower standard of living."
5. Opposing the bonus system in immigration matters and asking for its abolition; and condemning the alleged evasion of the law as to coolie labour by transportation companies.
6. Approving the principle of the Industrial Disputes Investigation Act, but suggesting some specific minor amendments.
7. Commending the work of the Department of Labour and suggesting that its functions had now become so important as to warrant change into a separate Department under a Minister of its own.
8. Asking Provincial Governments for a nine-hour day law on street and electric railways with an eight-hour day on Sunday.
9. Recommending legislation by Dominion and Provinces in order to give immediate effect to the Report of the Royal Commission of Inquiry into Telephone conditions in Toronto.
10. Declaring that "as the capitalists of the world create war they should do their own fighting."
11. Favouring Manitoba legislation as to certificates for the charge of boilers; asking Provincial prohibition everywhere of private detective agencies; urging a law to provide for payment of all employees, weekly or fortnightly, in coin and not by cheque; asking the Dominion Government to appoint official inspectors of the gear of ships during loading or unloading operations.
12. Urging the Provincial appointment of competent scaffolding inspectors; asking legislation against the imposition of fines by employers on employees for infractions of working rules; asking the Dominion Government for a Workmen's Compensation Act similar to that of Great Britain; urging the proper examination and registration of steamfitters and plumbers under Provincial laws.
13. Disapproving of money or property qualification or any other bar to the holding of public office.
14. Asking better Provincial laws as to child labour and more power to factory inspectors in the enforcement of present laws.
15. Urging tariff amendment so that the duty on cut stone coming into Canada be the same as that imposed by the United States.
16. Favouring Old Age pensions and a reservation of public lands to meet the requirement; approving Mr. Monk's Bill respecting Industrial Co-Operative Societies.

The National Trades and Labour Congress—a rival organization largely confined to Quebec, where it had the approval of the Roman Catholic Church and was marked by strong hostility to any combination with United States labour organizations—met in its fifth annual meeting on Sept. 10, 1907, at Glace Bay, N.S. There were 36 delegates present as compared with 149 at the

Winnipeg meeting of the other organization, and the size of its membership was not stated although in 1906 it was estimated at 20,000. In his address President J. E. Mee reported that the Montreal cooks and waitresses, the wire and metal lathers, the civic employees and hackmen, and the carriage and waggon makers had organized unions during the year under the jurisdiction of this Congress, together with the head waiters and stewards at Montreal, Toronto, Ottawa, Hamilton, Winnipeg, Victoria and Vancouver and the street railway employees at Hamilton. He denounced the maintenance of foreign labour organizations on British soil. In connection with the cordial relations established during this meeting with the Labour party of Nova Scotia hope was expressed in the annual Report that the Provincial Workmen's Association would affiliate with the Congress. A Resolution was passed asking that body to send delegates to the next meeting of the National Congress at Quebec. Officers were elected as follows: President, George Marois, of Quebec; Vice-President, William Warnocott, of St. John; Secretary-Treasurer, T. J. Griffiths, of Montreal; Assistant-Secretary, J. B. St. Laurent, of Quebec; Vice-President for Quebec, Gilbert Leclerc, of Montreal, and for New Brunswick, Hugh Beck, of St. John. The chief motions passed may be briefly summarized as follows:

1. Favouring legislation for compulsory education, free of cost, with uniformity in school books and increased salaries to teachers.
2. Asking a higher tariff on vehicles imported from the United States.
3. Supporting the idea of Old Age pensions for Workingmen "who have passed their working days or are unable to support themselves."
4. Suggesting an increase of the head-tax of $500 on Chinese to $1,000, and its application to all Asiatics and undesirable immigrants.
5. Asking for the creation of a separate Department of Labour and expressing sorrow at the death of D. J. O'Donoghue.
6. Recommending a more severe law as to the Engineers' certificates.
7. Recommending its members to buy only National union-made shoes and boots and the Government's employees only to buy such foot-wear.
8. Urging again an adequate bounty on ship tonnage launched in Canada.
9. Asking the Quebec Government for more factory inspectors in Montreal and thanking Hon. R. Lemieux for his enforcement of the Fair Wage condition in public contracts.
10. Asking the Government to protect the manufacturers in cities against country ones who do not pay taxes, and to have deep-sea quays and a larger dry-dock established at Levis, P.Q.

The Provincial Workmen's Association of Nova Scotia held its 29th annual Session at Halifax on Sept. 18th with 100 delegates in attendance, representing about 12,000 of a membership, and with S. B. McNeil, of Glace Bay, in the chair. The principal Resolution passed was one criticizing the operation of the Industrial Disputes Act on the ground of various defects which the Springhill Mines strike was supposed to have revealed. Complaint was also made that the Provincial Workmen's Association, unlike other Labour organizations, had not been consulted in its preparation. A strong Resolution was also passed endorsing the

aetion of the Springhill miners and pledging the financial and moral support of the Assoeiation. Thomas Haggerty, of the United Mine Workers of Ameriea, was one of the speakers and nrged the Nova Seotia body to join with the Ameriean organization. A strong protest was made against undesirable foreign labour—partieularly Asiatie—being admitted to Canada; the Provineial Governnment was asked to give its attention to the Old Age pension poliey and the matter of an eight-hour day and better representation in the Legislature for workingmen; legislation was asked eompelling mine managers to provide eonveyanees to take men living at a distanee from the mines to work and for prohibition of the proeess of drawing pillars by machines.

There were several Labour deputations to Governments during the year. The Dominion Premier and the Minister of Labour reeeived one on Jan. 15th from the Trades and Labour Congress whieh presented the Resolutions of the 1906 meeting. In his reply Sir Wilfrid Laurier took oeeasion to say that some of the allegations against the Hindus had been investigated and found to be baseless; while Mr. Lemieux advised Mr. Verville not to press his eight-hour bill and deelared himself favourable to better remuneration for letter earriers and elerks in the outside Postal serviee. In Vietoria, B.C., on May 15, a deputation from the Labour Counеils of that City and Vaneouver waited on the Provineial Premier and presented a request for the following items of legislation and regulation: A fortnightly pay-day; an eight-hour workday generally, and in government eontraet work particularly; repeal of the eleetion deposit and property qualifieations for municipal and other publie offices; a fair wage elause in government eontracts; a centre aisle in all open street ears; free text-books in publie sehools or the printing and sale of them at eost. They also protested against Government assistanee to immigration and reeommended that if it was thought a shortage of labour existed the Government should appoint a Commission of Inquiry with Labour representatives npon it.

At Regina on Mareh 21 a Labonr deputation asked the Provineial Govermment for: (1) the retention of publie franchises; (2) a fair wage elause and the establishment of an eight-hour day on all government work; (3) free text-books in all public sehools, primary, elementary and high sehools; (4) union labels on all government printing. In Toronto, on Mareh 29th, an Independent Labour Party was organized as the result of a meeting attended by some 600 workingmen and presided over by W. R. Rollo, of Hamilton. It was the seene of a long preliminary struggle over Socialism engineered by James Simpson, of Toronto, but his proposals were finally voted down with only 35 supporters. Walter R. Rollo was eleeted President; W. A. Kelly, of Kingston, Vice-President; C. C. Hahn, of Berlin, 2nd Vice-President, and W. R. James, Toronto, Secretary-Treasurer. The platform was as follows:

1. Free compulsory education; legal working day of eight hours, with a week of six days; and Government inspection of all industries.
2. The abolition of the contract system on all public works; a minimum living wage, based on local conditions; and public ownership of all franchises such as railways, telegraphs, waterworks, lighting, etc.
3. Tax reform by lessening taxation on industry and increasing it on land values; abolition of the Dominion Senate; and the continued exclusion of Chinese.
4. The union label to be placed on all manufactured goods, where practicable, and on all government and municipal supplies.
5. Abolition of child labour by children under 14 years of age and of female labour in all branches of industrial life, such as mines, workshops, factories, etc.
6. Abolition of property qualification for all public offices; voluntary arbitration of all labour disputes; and proportional representation in grouped constituencies, with abolition of municipal wards.
7. Direct legislation through the initiative and referendum and the prohibition of prison labour in competition with free labour.

In Regina, on 19th Oct., a similar Party was organized, with the same platform, for the Province of Saskatchewan. Hugh Peat was elected Chairman; T. M. Molloy, Vice-Chairman; J. D. Simpson, Recording Secretary; A. S. Wells, Treasurer. An interesting incident of the summer was the fining of Mr. Verville, M.P., the Labour leader, the sum of $150 for having called another candidate in a Montreal election a "vile scoundrel." Mr. Justice Lafontaine in making the judgment (which was afterwards appealed and sustained) pointed out that an apology might have been considered an extenuation, but it was not forthcoming. Speaking of British Columbia employers to the Society of Equity, which was holding its annual convention at Calgary on Nov. 14th, R. P. Pettypiece, of Vancouver, gave an interesting exhibition of "language." "This bunch of what I call cut-throats," said the speaker, "sees how things are going, so they are filling the voters' places by non-voting Asiatic labour. The capitalists are skinning the labour men in British Columbia every day, and the only difference with the farmers is, they are skinned wholesale once a year." In connection with the approaches recently made by the Trades and Labour Congress to this body, the Convention passed the following Resolution: "We reaffirm the position and attitude of the Trades and Labour Congress of Canada, and pledge ourselves to affiliate, if possible, and do everything in our power to wrest the reins of government from the domination of the ruling class, and promote the unity of purpose between the farmers and industrials of Canada." R. C. Owens, of Edmonton, was elected President, and W. J. Keene, of Edmonton, Secretary of the Society. In Alberta the Provincial Coal Commission heard much evidence during the year and the demands of the miners may be summarized as chiefly including: An eight-hour bank to bank law; a compensation act; a semi-monthly pay; the posting of inspectors' reports; the placing of timber in convenient places; and non-employment of boys under 16 years of age.

VI.—IMMIGRATION AND COMMERCE

The Progress of Canadian Settlement

Intimately associated in a new country with agriculture and all the varied development of resources and conditions is the question of immigration. The total number coming into Canada during the calendar year 1907 was 277,000; the figures for the nine months of the new fiscal year ending March 31st were 124,657; the total for the fiscal years (ending June 30) 1901 to 1907 was 835,220, of whom 329,171 were British in origin, 230,841 were from the Continent of Europe and 275,198 were from the United States. Of the British immigrants during this period 248,907 were English (and a few Welsh), 60,246 Scotch and 20,027 Irish. The Immigration Department issued instructions to all agents early in the year under consideration, to especially encourage the immigration of those who were adapted for and who intended to take up agricultural pursuits, or railway construction work, in Canada. "A free farm in Canada *via* the railway route," was the heading of hundreds of thousands of immigration circulars which were distributed in Great Britain and on the continent. Special efforts were made to induce immigration of female domestic servants. During the fiscal period of nine months closing March 31 the classification, by occupations, of immigrants arriving at the sea-ports of Canada included the following:

	Males.	Females.	Children.
Farmers	11,887	2,785	3,519
Labourers	20,969	2,502	3,336
Mechanics	13,483	5,405	5,526

During the nine months 4,583 female domestic servants were received, 4,118 clerks, etc., and 1,567 miners. Special precautions were taken to guard against the immigration of those who might be undesirable in respect of physical, mental, or moral unfitness. A sort of medical examination was insisted upon, and any new arrival who appeared likely to become a burden upon the community, who was feeble-minded, or who had a criminal record in his native land, was deported at the expense of the steamship company. Reports, however, indicated that the class of immigrants arriving was unusually good. For the fiscal period ending in March only 440 had to be deported. Since 1902 the total number of deportations was 2,122, or a proportion of hardly one in every four hundred.

These immigrants scattered all over Canada. Of the 277,376 who came in during 1907, 12,424 were nominally, at least, destined

for the Maritime Provinces, 45,969 for Quebec, 82,405 for Ontario, 44,025 for Manitoba, 31,400 for Saskatchewan, 31,023 for Alberta, 29,860 for British Columbia and 31 for the Yukon. Of the total arrivals 166,365 were males, 58,184 females and 52,827 children. By nationalities or races there were 14,626 Galicians, 2,558 Bulgarians, 2,640 French, 98,808 English, 25,187 Scotch, 7,011 Irish, 7,975 Hebrews, 13,076 Italians, 7,808 Japanese, 1,714 Poles, 6,512 Russians, 2,415 Hindus and 56,690 from the United States. Taking the seven years, 1901-1907, there were 261,000 arrivals who did not belong to the English-speaking race. In connection with immigration in general it may be said that official British figures published during the year indicated that in 1905, and for the first time in history, the emigration from the United Kingdom to Canada was greater than to the United States—62,503 as against 60,997. In 1906 the figures were 91,263 and 85,941 respectively. In 1889 the United States had received 97,379 and Canada 19,627. It may be added that in 1889, when emigration to Australia and New Zealand was free, the number was 17,856; in 1906, when it was surrounded by restrictions, the number was 9,920.

In the matter of Government aid to immigration the Department of the Interior in April, 1906, had increased the bonus allowed to British booking-agents on adult emigrants to Canada from $1.75 to $5.00 each and from 87½ cents to $2.50 for each person between one and eighteen years. Warning was issued as to the necessity of care in selection and notice given as to the deduction of the bonus in the event of any such emigrant being deported or leaving Canada for the States within 12 months of his arrival. In this general connection Mr. Frank Oliver, Minister of the Interior, told the Calgary *Albertan* on May 14 that: "We are not pushing continental immigration at all. As a matter of fact, at the present time, the Canadian ships are loaded down with Britishers, and that being the case we do not feel called upon to go to any trouble to attract foreigners here as we formerly did before the tide of immigration from the British Isles and the United States set in. In Great Britain we are given every kind of encouragement and the people are all favourably inclined to come here and settle, while in Europe we practically have the door shut in our faces. There is, therefore, no reason whatever why we should push ourselves in where we are not wanted; when there are places where we are wanted. The only people to whom we are offering bonuses are those who want to go to the land on their own account or for others; those who want to work on railway construction and females who wish to enter into domestic service." As to the methods, Mr. J. Bruce Walker, of the London Emigration service, told a correspondent of the Sydney *Herald* (Australia) that the secret of success was in spreading information regarding resources and conditions in the public schools:

We began by offering medals in 500 schools for the best essays on Canada. The medals cost us a mere trifle. We were simply amazed at the tens of thousands of children who competed. We found that the parents were interested in the competition and helped the youngsters. It taught us a lesson and we never lost touch with the schools. We have presented a well-mounted map of Canada to almost every school in the United Kingdom and we have followed the work up with lantern lectures. These interest both parents and children. Then we advertise freely in the press in the Agricultural districts. Besides we have specially-constructed motor busses with glass sides fitted up with neat collections of Canadian products. These could travel at 15 to 20 miles an hour and were in charge of a couple of capable men who could talk about Canada.

An interesting incident took place in July when, at the instigation of the Immigration Commissioner in Winnipeg, and the Lethbridge Board of Trade, the Attorney-General of Alberta prosecuted G. A. Hoagland, of Taber, Alta., for "occasioning injury to a public interest" by slandering Canada in certain United States journals as to its climate, hardships of settlers, etc. A fine of $200 was imposed. In this connection the *National Review,* a prominent English magazine, charged the Canadian authorities with suppressing criticism and creating conditions more dangerous to free speech than any such abuse could be to Canadian interests. In Parliament Immigration matters were discussed on March 6th in connection with some Opposition charges against Mr. Obed Smith, Commissioner at Winnipeg, and on April 9 in respect to the general Immigration policy of the Government.

The New Brunswick Government made some effort during the year to obtain, or retain, a portion at least of those who were streaming to its shores and passing on to wider though not really more attractive fields. Both Mr. C. A. Duff-Miller, Agent-General in London, and Mr. W. D. Scott, Superintendent of Immigration at Ottawa, were in conference at different times with the Provincial authorities. Some details were worked out and at the close of the year it was announced that Hon. James Barnes, M.P.P., would retire from the Government and assume charge of this work. In Nova Scotia a strong effort was made by the Government to promote settlement and development and Mr. Arthur S. Barnstead, a well-known journalist, was appointed Secretary of Industries and Immigration with that object in view. Addressing a large audience in Halifax on Feb. 2nd Commissioner Coombes, of the Salvation Army, stated that his organization had already brought out 20,000 immigrants to Canada (of whom 20 only had been deported) and were ready to bring many more. Their plan was as follows:

First—The Army in England, by judicious advertising and research, find out possible emigrants and ascertain who among them would make desirable settlers. The whole situation is then made clear to them, and preparations are made for the journey; Second—Transportation facilities are provided and officers accompany the settlers on the steamers, answering their thousand and one questions and explaining everything of vital importance to them, so that they will be ready to settle down to hard

work on arrival in Canada; Third—Friends of the Army are awaiting them on this side to give them the glad hand of welcome and to tell each family where they are to be located.

In British Columbia, according to its promise to the Provincial Government, the Salvation Army settled many immigrants in 1907. How many it is difficult to say, but in February it was stated that they expected to bring out 20,000 to Canada as a whole during the year. To the Victoria *Colonist,* on Feb. 23, Adjutant W. G. Wakefield said: "Only one section of labour is being selected for this section—unskilled. Moreover, very many would have a position to walk into immediately upon arrival. The country would not be flooded with unemployed; that was a thing which was most carefully guarded against ever since the Army had undertaken to bring to the Colonies those who, while industrious and in every way deserving, were yet living on the verge of starvation in the Old Land." As to the details of the arrangement between the Provincial Government and the Army, Hon. R. G. Tatlow, Minister of Finance, said on July 19th: "I am glad to say that we have made a good arrangement with the Salvation Army by which they have undertaken to bring out during the year, from the date of that agreement, 1,000 suitable agricultural labourers and domestic servants. These are to be assisted immigrants. We are lending them a sum of money which they lend to these immigrants again and get refunded out of their wages from time to time. They have also made us a promise that in addition to that they will do their best to duplicate that number and bring out 1,000 more immigrants who won't require assistance." To the Victoria *Times,* on Aug. 29th, Mr. J. H. Turner, Agent-General in London, said that the great trouble was the expense of crossing an ocean and a continent in order to reach British Columbia. Some means should be found of advancing the cost of transportation so as to be repayable by installments. Speaking in Vancouver, on Nov. 24th, Commissioner Coombes promised 20,000 picked immigrants for Canada in March, 1908.

Problems of Immigration—English and Foreign

In the present condition of Canada the problems of immigration and settlement have to do with race, language, character, local labour conditions and local prejudices. Certain general difficulties came very much to the front in 1907—some of a surface character and merely irritating; others of a deeper kind and more serious. Amongst them was the coming of nearly 100,000 Englishmen marked by all the characteristics of their nation and with faults, in some cases, which met very sharply certain prejudices and ignorances which Canadians occasionally possess and vigorously express. Many of the Englishmen came expecting too much, believing all the promises of immigration agents and steamship solicitors, naturally ignorant of conditions in a country of vast expanses and infinite variety of climate and interests, hopeful very

often of more sympathy and kindly or brotherly treatment than was accorded, ignorant of the hostility of Labour unions to an influx of possible competition, naturally unacquainted with customs and social ways in a country where everything was different from their own surroundings at home and where the people were Americans in personal character and habits although "English" in allegiance and political sentiment. Some of them were undoubtedly black-sheep and too lazy to really work; others could not stand the hardships of a winter which even Canadians-born found a little trying; adjustment of points of view to new surroundings was not always instantaneous and should not have been generally expected; the financial stringency came suddenly and for a time stranded thousands of the new-comers.

Canadians, on the other hand, were not as sympathetic as they might have been; prejudices bred, in part, from American influences which always under-rate, where they do not despise or detest, the Englishman, had an effect in frequently preventing his employment and more often in giving a cold or unpleasant tone to the reception of the immigrant; in the West the "remittance man" had created an unfavourable field for the new arrival, while the wealthier United States settler, usually owning his farm and possessed of money and goods, looked down upon the poorer Englishman who yet came from a wealthy and powerful country and who felt, not unnaturally, that in a vague way his people were the real rulers of the land he had come to and were certainly paying for its defence and international protection. The average Canadian keenly resented this latter attitude, forgot the limitations of an island-bred man of narrow personal opportunities, and expected him to be more familiar with the peculiar developments of new social and political conditions in Canada than was the Canadian himself with the centuries-old British system. Hence the friction which marked this great influx of immigrants from the Motherland and filled a part of the press with mutual recriminations at a time when good-feeling and the helpful hand should have been everywhere dominant. The truth seems to be that the average Englishman expected to find in Canada—as Mr. C. F. Hamilton put it in an able article in the *National Review* of September—another England, differing in details but in the main similar and he found, instead, a divergent and diverse nationality more like that of the United States than the United Kingdom. There was ground also for complaint against farmers who hired their men for summer work, paid low wages and got rid of them as soon as the winter came; who sneered, too often, at their ignorance of the new ways of a new country and made too little allowance for the infinite difference between the easy-going life of an English farm-hand and the strenuous work of a Canadian farm. Out of these conditions and from the exceptionally low character of some of the immigrants came such a terrible crime as that of Gowland at

Killarney, Man., in May, and that committed at Melbourne, Que., early in July. At a meeting in Toronto on Nov. 14, Brigadier Howell, of the Salvation Army, went so far as to say that something should be done immediately to protect immigrants from being "ill-treated by farmers." As to the alleged English lack of adaptability and Canadian prejudice in the matter the Victoria *Colonist* of Nov. 29th dealt very well with the subject as follows:

> The Englishman who comes to Canada is handicapped to a certain extent by his training and his traditions. When he goes to the United States he realizes that he is in a foreign country, and of all the people in the world none can adjust themselves to conditions existing in a foreign country like Englishmen can. But in Canada they are different; they do not seem to feel under an obligation to adapt their ideas to their new surroundings. They are ready to recognize that there is an American way of doing things, and a French way and a German way, and any number of other ways of doing things, and which they drop into with a facility which makes them the best of all colonizers. They have not yet learned that there is a Canadian way, but they are finding it out, and bye and bye they will fall in with it with the greatest facility. On the other hand the Canadian is a little inclined to think his way the best, and he is not always as considerate as he might be in his way of putting it. He is not exactly bumptious, but he has had a hard fight to make his country what it is, and possibly the result has been to make him just a trifle too cocksure of himself. However this may be, we do not think anyone will deny that he is an exceedingly impatient person, and has not yet learned how to wait for anything. Rarely has the Canadian been trained in a groove, whereas nearly every Englishman has been.

The subject was much discussed in Sons of England lodges and in meetings of St. George's Societies during the year, and the consensus of opinion in these organizations was that Englishmen made the best settlers but that there should be careful selection in the immigrants sent out and that they should be prepared to go to work on the farms when they reached Canada. In Toronto, on Mar. 27, the British Welcome League was formed at a public meeting, with Mr. Albert Chamberlain as President, and did good work during the succeeding year in looking after and helping thousands of immigrants who poured into the city, passed through, went to work locally, or found themselves unable to get work. Varied evidence was supplied to this organization and the press throughout the country as to deception in the kind of work available, the amount of wages, and conditions generally, which many of these men had encountered in the promises of emigration agents and bureaus in England. There was much fraud of this kind perpetrated and Mr. Mackenzie King's visit to London in this connection was well advised. In December, 1907, stringent orders were given emigration agents, etc., in England to check emigration until February of all who did not have a little money in hand.

There was much talk of undesirable immigration and the best means of checking it, some criticism of English charitable bodies and latterly, of the Salvation Army. Mr. H. Bourassa, M.P.,

addressed the students of Laval University, Montreal, on April 25th, with the text of "quality not quantity" in future immigration. He declared the movement of undesirable classes from the cities of England should be prevented; that the efforts of the Government should be directed to getting only the best agricultural immigrants and farm labourers as well as skilled labour; that immigration from Belgium and such provinces of France as Brittany, Auvergne, and part of Normandy, should be further encouraged; that repatriation of the better element of Canadians in the United States should be encouraged; and that when young farmers were about to leave their homes in the East the Government agents should endeavour to direct them to Western Canada.

The movement of United States settlers into the West was, on the surface, an easy problem. Usually well-to-do, frequently experienced farmers, often Canadians by birth, they came in an increasing stream of 26,388 in 1902, 45,229 in 1904, and 56,690 in 1907. With them they brought goods and effects which the Customs authorities valued at about $5,000,000 annually, but which were probably worth $10,000,000 or more. Most of these immigrants were permanent settlers and farmers and the bulk of them came from the neighbouring Western States, although there was a proportion from all the agricultural portions of the Republic. The Dominion Government had for some time kept Immigration Agents at all the principal points in these States and through them distributed a constant stream of literature and information throughout the country. In July Mr. Oliver, Minister of the Interior, stated that his Department had agents at Boston, Syracuse, Pittsburg, Indianapolis, Toledo, Detroit, Chicago, Kansas City, Omaha, St. Paul, Waterton, Grand Forks, Great Falls, and Spokane. Of these cities he had himself visited Boston, Indianapolis, Detroit, Kansas City, and Omaha.

In the distribution of this great army of incoming people—nearly a million in five years—friction was bound to occur between the old and the new, as it does occur in every line of life and development. Problems were certain to evolve, and not the least of them was the coming of the Japanese and the Hindu.* The former became an international issue and is dealt with separately; the latter was small in dimensions but big in talk and pregnant with Eastern possibilities. Only 2,413 of these East Indians were officially stated to have come in during the year and yet British Columbia made a vehement and pressing public issue of the matter while, curiously enough, 14,000 Galicians, 2,000 Bukowinians, 1,500 Hungarians, 2,500 Bulgarians, 1,500 Chinese, 1,200 Greeks, 6,200 Russian Jews, 13,000 Italians, 1,400 Finns, 2,200 Swedes and many other racial types of equally distinct and divergent kinds were coming into Canada without question and with hardly a reference in the press.

* NOTE—The commencement of this difficulty is dealt with in the 1906 volume of this work.

Yet the Hindus were mild-mannered and usually inoffensive men; they did not carry knives like the Italians or revolvers like the Japs; they were fellow-subjects of Canadians under the Crown and many of those deported, or neglected, or even ill-treated at Vancouver and on the Coast, generally, wore army medals and were of that gallant Sikh race which has so often served as "soldiers of the King." The Labour unions of the Pacific Coast were strong in their denunciation of this immigration, and, as was afterwards proved, incorrect in many of their statements regarding it; the Dominion Trades and Labour Congress protested against its continuance; the Provincial Government and Legislature of British Columbia in March passed unanimously a measure debarring the Hindu from the franchise, although a British subject; at Vancouver the unfortunate coloured men were more or less boycotted and a local leader amongst them told the *Province,* on Sept. 4th, that owners would not rent his people houses or rooms and that 400 of them were at that time actually living in two houses.

According to Dr. A. S. Munro, of Vancouver, in a telegram to the Minister of the Interior, on Sept. 15th, the Hindu arrivals on the *Monteagle* alone had about $25,000 in their possession and were therefore far from being paupers. Many individuals, however, were undoubtedly very poor, if not penniless, and all had been attracted by descriptions of wages which reached $2.00 or $3.00 a day when they were only making 25 cents a day at home. A proportion, also, came from non-British ports. During the year representations were made to the Colonial and Indian Offices, and it was understood that instructions were given to Lieut.-Governors throughout India and to officials at Hong-Kong, Singapore and other British outports to warn natives as to the unsuitability of Canada for purposes of immigration. There were, of course, some strong Canadian utterances regarding the Empire aspects of this policy and the British Columbia legislation. Mr. Thomas Cunningham, Fruit Inspector, wrote to the Vancouver press on April 10, and, after a reference to missionaries going thousands of miles to convert the "heathen" of India and China and Japan, he added: "When the Hindu, who is a superior man to the Chinaman and, above all, our fellow in Empire-building, comes among us, hardly a finger is raised by Christian people to nourish either the body or soul of the stranger within our gates." Mr. Cunningham went on to say that he would do all he could to place the Hindus in good positions where they would have a chance to develop into useful labourers. He was surprised that no schools had been opened to teach the Hindus English during the winter, as was done for the Mongolians. "Every man I sent off yesterday," he concluded, "was able to sign his name; this was a better showing than people from Italy and some other Latin countries make when they reach Canada." The Ottawa *Free*

Press of Sept. 20 asked what would happen if this treatment of the East Indian helped to encourage rebellion in India. Mr. McBride, Premier of British Columbia, took the line in this connection that the Province had a right to protect its citizens against any Asiatic influx, but added in the Legislature, on Mar. 26th, that: "If it should ever come about that the Colonial authorities, for the benefit of these British subjects, ask this Government to repeal this legislation we shall not hesitate to do so."

Other complications of immigration were varied but not so important. In Vancouver a petition was circulated and largely signed by women asking for a removal of the Chinese head-tax in order to give them a chance to obtain domestic servants at less than $35 to $50 a month—which was the sum then being asked by Chinamen. Otherwise the city would, it was concluded, soon become like San Francisco and Seattle. The people would give up their houses, go into rooms and restaurants, and home life would become a thing of the past. In Victoria quite a controversy arose over the large number of Chinese children crowding into the schools in order, it was alleged, to take advantage of the rebated head-tax given to students who spent one year in such attendance. The School Board refused to admit them, asked the Department at Ottawa to intervene and were advised that nothing could be done. The Board persisted in its policy and the Chinese residents in September engaged Mr. Fred Peters, K.C., to look after their interests and force the issue on the ground that: (1) under the law all school children of school age, resident in British Columbia, had an absolute right to be educated at the public schools; (2) that this right was the same, whether the children were of English, French, German, Chinese or any other nationality; (3) that the fact of the Chinese children not speaking English was no reason for their exclusion. The ever-present question of permitting Mormon immigration was revived at a Toronto meeting on Feb. 11 through some strong criticisms offered by Rev. Dr. Kilpatrick, of Knox College, and the Rev. Dr. Somerville. The former stated that "the greatest grief in Alberta is the Mormon settlement." In a press interview on Feb. 14th the Minister of the Interior (Mr. Oliver) replied as follows:

> I have lived many years in Alberta and this is the first time I have heard that the Mormon settlements were a cause of grief. The region now occupied by the Mormons was unoccupied until they came. So far as we can see it would have remained unoccupied for an interminable period had it not been for their knowledge of like conditions in the United States, and of the means by which these conditions could be overcome or their disadvantages minimized. They have given an object lesson in agriculture in the south-western corner of Canada's prairies which has increased the value of the whole semi-arid region of southern Alberta and south-western Saskatchewan—an area of from twenty to thirty million acres. Nor can anything be said against their citizenship. They are sober, orderly, law-abiding, intelligent and progressive. They take an active and intelligent part in all the duties of citizenship as well as in agriculture and commercial life.

General Trade Conditions of the Year.

The early part of 1907, in trade as in other respects, continued to expand; the latter part saw varied changes underway. In the United States imports decreased and exports increased toward the close of the year; in Canada the opposite was the case; in Great Britain during the year imports from within the Empire increased over 10 per cent., imports from Foreign countries nearly 5 per cent., exports to British and Foreign countries increased a little over 13 per cent. in each case; a considerable British increase in exports to India occurred in machinery, railway materials and cottons, to Canada in cottons, woollens, structural and other metals and machinery, to Australia in various lines of manufactured goods. In British imports from India the chief increases were in wheat, cotton and oil-seed and from Australia in wool, wheat, meat, copper and dairy products. British imports from the United States increased from £131,000,000 in 1906 to £133,600,000 in 1907 and exports to the United States from £27,700,000 to £30,900,000. During the last quarter of 1907, however, there was a falling off in imports from the States and a drop also in exports though the year as a whole showed an increase. The following table compiled by the London *Economist* shows British trade with British countries during a period of three years:

British Countries.	Year ending Dec. 31— Imports from			Year ending Dec. 31— Exports to		
	1905.	1906.	1907.	1905.	1906.	1907.
East Indies.....	£47,376,000	£51,178,000	£58,218,000	£47,629,000	£50,717,000	£58,143,000
Australasia.....	40,518,000	44,783,000	51,665,000	23,452,000	27,721,000	32,892,000
Canada.....	25,696,000	30,318.000	28,035,000	11,909,000	13,689,000	17,086,000
South Africa....	5,541,000	6,338,000	8,616,000	16,360,000	15,249,000	13,727,000
West Indies.....	1,972,000	2,108,000	1,988,000	2,012,000	2,196,000	2,639,000
Hong Kong.....	386,000	638,000	619,000	3,717,000	3,065,000	3,228,000
West Africa	2,369,000	2,739,000	3,432,000	2,827,000	3,064,000	3,994,000
East Africa.....	570,000	602,000	993,000	1,058,000	1,227,000	1,327,000
Other Possessions	3,441,000	3,461,000	3,641,000	4,474,000	4,413,000	4,323,000
Totals	£127,869,000	£142,165,000	£157,207,000	£113,438,000	£121,341,000	£137,359,000

British trade with France during 1907 included £52,827,000 of imports and £23,640,000 of exports—an increase in the latter and a slight decrease in the former; with Japan it included imports of £3,242,000 and exports of £12,048,000—a nearly stationary trade as compared with 1906. The total trade of the United Kingdom—of special interest to Canada in view of the Imperial Conference—broke its own record, and the world's record in 1906, with figures of £983,000,000 or $4,915,000,000; in 1907 the total was £1,072,000,000, or $5,360,000,000. During the year Mr. Richard Grigg, a Special Commissioner of the British Board of Trade, visited Canada in a prolonged tour lasting from September, 1906, to May, 1907. He travelled from the Atlantic to the Paci-

fic, stayed some time in each of the chief commercial centres, addressed and consulted the leading Boards of Trade and inquired into agricultural and mining conditions. His report was published as an official blue-book (Cd 3868) and it analysed in clear and succinct terms the commercial conditions and trade sentiment of the Dominion.

After referring to the enactment of the Canadian Preferential tariff, the intention of His Majesty's Board of Trade—a Department of the British Government and not an independent commercial body—to appoint Canadian correspondents to furnish regular information to its Commercial Intelligence branch, and to the desirability of British merchants visiting Canada in person, Mr. Grigg proceeded: "I found everywhere, on both sides of the Atlantic, a keen desire, both on patriotic and business grounds, to better understand differing points of view, and to draw closer the bonds of commercial union. I have sought to disregard the opinions of persons in both countries who complain ignorantly and unreasonably; but for every one such person I have met ten who are able to make reasonable allowances for differences of standpoint, and honestly desire to understand the other side. I think the feeling in Canada may be fairly described as one of surprise and even impatience, that, notwithstanding the advantage of preference in tariff and preference in good-will, British goods are not sold in larger quantities to Canada than import figures show. The belief prevails that British manufacturers and merchants are what has over and over again been described to me in the words 'too conservative'—a phrase which I fear was meant to convey reproach in words which should not seem discourteous to British ears."

The Commissioner in his general conclusions pointed out that the geographical position of the Dominion was a severe handicap to British trade with Canada and a great advantage to the merchants and manufacturers of the United States; that time in transportation, charges for freight, rapidity, ease and cheapness of business communications, social and economic conditions were all favourable to the Republic; that on the other hand, Britain was Canada's best customer and enjoyed a preference in both goodwill and tariff; that the Canadian home manufacturer was becoming a formidable competitor in the local market with both Great Britain and the United States, while the output and efficiency of his industries were rapidly rising; that more British companies should establish branch factories in the Dominion and more British capital be employed in exploiting its resources. Mr. Grigg's recommendations were elaborate in detail, but may be summarized as follows:

1. The promotion of rapid and cheap transit and communication between the United Kingdom and Canada.
2. The more careful study of Canadian conditions by British traders.

3. Improvements in the representation of British merchants and manufacturers in Canada.
4. Greater adaptability and exactness in meeting the wishes of Canadian buyers.
5. The adoption of Canadian standards, weights and measures and currency, for specification and price quotations.
6. Better advertising and catalogues and cheaper postage rates.
7. More elasticity in terms of credit (rendered possible by fuller knowledge of local circumstances).
8. The establishment of a system of British Commercial Correspondents in Canada and the wider distribution of Commercial aud trade reports.

The Canadian Trade agents in the United Kingdom reported variously as to trade opportunities, etc., during the year. Mr. Ball, at Birmingham, advised Canadian manufacturers of tobacco that there were openings for Canadian brands and that one experiment had turned out well. Mr. Jackson, at Leeds, indicated a good demand for Canadian chickens and large openings for trade in the wood handles required for various garden and farm implements, as well as an exceedingly bright outlook for Canadian apples, bacon and hams, hay and pig-iron. Mr. Harrison Watson, at London, reported an almost inexhaustible demand for all kinds of wood manufactures—still chiefly drawn from the United States; and stated that the anti-dumping regulations had created much confusion and were seemingly very intricate to the average trader. He regretted (Jan. 22, 1907) that Canadian business men visiting England did so in such a hurried manner and urged more attention to the divergent needs and tastes of the large centres. The need of suitable references in those seeking agencies in the United Kingdom was pointed out; the fact of a constant flow of applications from British manufacturers seeking to develop a Canadian market was stated; favourable openings were said to exist in Canada for the following lines: Woollens, worsteds and other textiles, linens, lace, hosiery and fancy goods, manufactures of jute, boot and shoe laces, engineering and hardware lines, building materials of various kinds, teas, dried fruits, olive oil and general grocery lines, crockery and china, paints, varnishes, colours and linseed oil, gelatines and glues, jewellery and fancy goods, fishing tackle, smoking supplies, etc. In the summer Mr. A. W. Donly, the Commissioner in Mexico, visited Canadian commercial centres and addressed various meetings. Mr. G. Eustace Burke, for many years Canadian Agent at Kingston, Jamaica, died in 1907 and was succeeded on Nov. 1st by Mr. E. A. H. Haggart; while the West India Service generally was re-organized with Mr. E. H. S. Flood, of St. John, as Commissioner. From Australia Mr. Larke, at Sydney, reported an apparent inability in Canadian firms to fill the orders which Australians were ready to give, and Mr. Ross, at Melbourne, described Canadian motor cars as a line of possible trade development. From this island continent, from Mr. Jackson at Leeds, from Mr. Arnaud in Newfoundland, and elsewhere,

came vigorous protests against the fraudulent or deceptive packing of goods by Canadian shippers. In the two latter cases the chief complaint was regarding Nova Scotian apples. During the year (Oct. 24) the status, though not the functions, of Canadian Trade and Commercial Agents abroad was altered and the principal Agents were made Commissioners. At the close of 1907 the various posts were filled as follows:

Canadian Trade Commissioners.

Country.	Name.	Address.
Australasia	J. S. Larke	The Exchange, Sydney, N.S.W.
Australasia	D. H. Ross	Stock Exchange, Melbourne.
British West Indies	E. H. S. Flood	
China, Japan and Corea	W. T. R. Preston	Club Hotel, Yokohama, Japan.
France	A. Poindron	101 Rue de Réaumur, Paris.
Great Britain	P. B. Ball	Central House, Birmingham.
Great Britain	J. B. Jackson	East Parade and Greek Sts., Leeds.
Great Britain	P. B. MacNamara	36 Spring Gardens, Manchester.
Great Britain	W. A. MacKinnon	Sun Buildings, Clarke Street, Bristol.
Japan	Alex. MacLean	14 Bund, Yokohama.
Mexico	A. W. Donly	Apartdado, 91B Mexico, D.F.
Newfoundland	E. D. Arnaud	Water Street, St. John's.
South Africa	John A. Chesley	Cape Town, Cape Colony.

Canadian Commercial Agents.

British West Indies	E. A. H. Haggart	Kingston, Jamaica.
British West Indies	R. Bryson	St. John, Antigua.
British West Indies	S. L. Horsford	St. Kitt's.
British West Indies	Edgar Tripp	Port of Spain, Trinidad.
Great Britain	W. L. Griffith	17 Victoria Street, London, S.W.
Great Britain	Harrison Watson	73 Basinghall Street, London, E.C.
Norway, Sweden and Denmark	C. E. Sontum	Christiania, Norway.

Canadian Trade and Commercial Affairs

In dealing with the official figures of Canadian trade it is well to remember that the elaborate Report of the Customs Department, termed the Trade and Navigation Returns, does not agree in exact detail with the equally elaborate Report of the Trade and Commerce Department. The differences are not, of course, important—the total trade of Canada for the nine months' fiscal year ending Mar. 31, 1907, for instance, being given by the former publication as $462,532,079 and by the latter as $465,063,204. Where not otherwise specified the figures quoted here are compiled from the Trade and Commerce Report. In round numbers Canadian imports during the twelve years 1896 to 1907 (March 31) totalled $2,454,000,000 and the exports $2,286,000,000. The imports increased in the full fiscal years of 1896 and 1906 from $118,011,508 to $294,286,015 and in the nine months from June 30, 1906, to March 31, 1907, they were $259,786,007. The exports increased from $121,013,852 in 1896 to $256,586,630 in 1906, and in the nine months ending March 31 were $205,277,197. In other words, the total imports of 12 fiscal years exceeded the total exports by $168,000,000 in a protective, and at the same time productive, country; while if the six years, 1902-7, were taken, the trade balance, according to an important school of economic thought, was $217,000,000 against Canada. The imports were $176,000,000 more in 1906 than in 1896 and the

exports $135,000,000 more; the imports of the fiscal year 1906 exceeded the exports by $37,000,000 and for the nine months following by $54,500,000. For advantage of comparison and general reference the following table is compiled from the returns of three specified periods:

Particulars.	12 Months ending June 30, 1905.	12 Months ending June 30, 1906.	9 Months ending March 31, 1907.
Imports and Dutiable Merchandise	$157,164,975	$176,790,332	$154,856,659
Imports of Merchandise Free of Duty	99,361,007	110,417,080	97,412,340
Imports of Coin and Bullion	10,308,435	7,078,603	7,517,008
Total Imports	266,834,417	294,286,015	259,786,007
Duty Collected on Imports	42,024,339	46,671,101	40,290,171
Dutiable Imports (for consumption) from Great Britain.	150,928,787	173,046,109	152,065,529
Dutiable Imports from United States	78,797,440	89,540,776	78,969,028
Free Imports from Great Britain	100,688,332	110,236,095	97,672,345
Free Imports from United States	73,634,186	79,257,600	69,629,033
Duty Collected from Great Britain	41,794,593	46,437,440	40,053,624
Duty Collected from United States	20,580,302	22,187,103	19,084,738
Total Exports to Great Britain	101,958,771	133,092,571	105,129,601
Total Exports to United States	75,563,015	88,001,309	65,838,636
Export of Products of the Mines	32,192,070	35,706,030	26,356,282
Export from the Fisheries	11,144,898	16,049,394	10,396,918
Export from the Forest	33,362,053	38,975,543	33,587,474
Export of Animals and their Produce	63,980,919	67,186,175	56,053,618
Export of Agricultural Products	34,140,499	60,215,735	43,131,408
Export of Manufactures	24,643,034	27,650,278	21,495,001
Export of Coin and Bullion	1,844,311	9,928,828	13,189,964
Total of all Exports	203,316,872	256,586,630	205,277,197

Some of these figures—extended from Mar. 31 for the old fiscal year ending June 30*—may be added here for purposes of comparison. In the 12 months ending in the middle of 1907 the imports were $359,793,278; the total exports $258,171,674; the total trade $617,964,952; the imports for consumption from Great Britain $88,901,819; the exports to Great Britain $119,843,374. The increase in the imports from the United States—$10,000,000 in 1902, $17,000,000 in 1903, $13,000,000 in 1904, $12,000,000 in 1905, $13,000,000 in 1906 and (if the average of nine months was maintained for the whole 12 months)—$20,000,000 in 1907—was a subject of discussion during the year. As compared with this total increase of $85,000,000 the increase in imports from Great Britain was $39,000,000. As against the $65,000,000 which Canada exported to the United States in the nine months ending March 31, 1907, a total of $148,000,000 was imported, and manufacturers claimed that about $100,000,000 of this could, under different tariff conditions, be produced or made in the Dominion. In this connection Mr. J. H. Worman, United States Consul at Three Rivers, P.Q., wrote to his Government in May, 1907, that: "The high tariff wall proves no barrier to the importation of American goods. In most lines of goods Americans can still compete successfully. First, because of the close proximity and consequent small expenditure for transportation. Second, because of the promptness with which demands can be met. Third, because of the large facilities for manufacturing for which our country is notable. A very good illustration of American ability to com-

* NOTE—From the Hon. W. S. Fielding's Budget Speech of 1908.

pete in the face of a high duty is offered by the success of the American typewriting machine in Canada."

Writing in March, United States Consul L. E. Dudley, of Vancouver, B.C., stated that: "Recently a gentleman came here from the United States with considerable capital, associated himself with local capitalists and organized the 'American Manufacturers Agency,' which seems to be in a fair way of becoming a successful business establishment. I shall be glad to place all the American manufacturers, who so desire, in communication with this new agency. It is impossible to ascertain just what proportion of manufactured articles sold in this market comes from the United States. Certain it is that the proportion is very large. As I go about from store to store I see American manufactured goods on every hand. Much of this supply comes to British Columbia through Montreal, Toronto, and other points in eastern Canada." Canadian trade with the British Empire in 1907 (9 months ending March 31) totalled $188,803,598 of which imports were $74,-874,941 and exports $113,750,491. In the full 12 months ending June 30, 1906, the total trade was $227,778,608 of which $83,452,-212 was imports and $144,305,760 exports. With Foreign countries Canadian trade in the former period (9 months) totalled $276,259,606 and in the latter period (12 months) $323,094,037, or $96,000,000 more than with the Empire. Apart from the United States the chief Foreign countries concerned in Canadian trade were the Argentine Republic with (9 months ending March 31, 1907) a total of $3,469,496; Belgium $3,560,627; France $8,088,921 of which $6,679,349 were imports by Canada and $1,409,572 exports from Canada; Germany $6,549,812, from which Canada imported $5,483,207; Japan $2,197,343; Brazil, Cuba, and Switzerland, with each of which Canada had a trade of a little over a million.

VII.—CANADA AND EMPIRE AFFAIRS

Imperial Events of Canadian Concern

Apart from the Conference, which was the conspicuous Empire event of the year, there were a number of more or less interesting, and important, incidents of concern to Canada and Canadian history. Amongst them was King Edward's continued growth in the respect and esteem of his subjects everywhere. During His Majesty's visit to Wales and Ireland he was able to show his interest in Canadian affairs by inspecting the Canadian Pavilion at the Dublin Exhibition, where he was received by Hon. Sydney Fisher, Minister of Agriculture, William Hutchinson, Canadian Commissioner, and others. The Queen accepted from one of the departments the gift of a rug made by French-Canadian women. The Exhibition itself had been opened on May 6th by Lord Aberdeen, as Lord Lieutenant of Ireland, and the Canadian Section was one of conspicuous character and merit. Mr. Thomas Elliott, of Brantford, was Commissioner from Ontario, and an intercsting feature of the affair was the presence of the 15th Light Horse Band, of Calgary. This Royal visit to Ireland was most popular, and the receptions accorded the King and Queen were enthusiastic to a degree. On Mar. 8th Lord Elgin cabled the Governor-General at Ottawa an expression of Queen Alexandra's personal regret at the disastrous school fire in Montreal, where Miss Maxwell lost her life, and Her Majesty's " great admiration of the heroic conduct " of the teacher.

The personal influence of King Edward, his power as a peacemaker, his international and diplomatic work, were subjects of frequent treatment by Canadian papers, as they were in all British countries. Early in the year the King's visits during two months in Europe did much good; later the German Emperor visited England, as did the King and Queen of Denmark and the King and Queen of Portugal. In June a triple agreement was concluded between Great Britain, France and Spain for the joint protection of their mutual interests in the Mediterranean and on the Atlantic. This arrangement and the improved relations with Germany were credited largely to the efforts of King Edward, just as the *entente cordiale* with France had previously been conceded to be greatly due to his tact and popularity. On Aug. 4th His Majesty reviewed at Portsmouth a magnificent fleet, 11 miles in length, of great warships, headed by the *Dreadnaught,* and manned by 35,000 officers and men. Edward the Great, as the Winnipeg *Telegram* called the King, was able in October to crown his work

by accepting a Convention with Russia which dealt primarily with the affairs of Persia, Afghanistan, and Thibet, but really made future war between the two Powers a matter of difficulty. On Oct. 27th he addressed the Lords Lieutenant of England, Scotland and Wales, at Buckingham Palace upon their duties and responsibilities, to him and the nation, under the terms of the new Territorial Army Act. The Union Jack Club in London, for sailors and soldiers, was opened by the King on July 1st, and on Dec. 13th Lord Grey announced at Montreal that a cablegram had been received expressing the Royal approval of the Champlain Tercentenary scheme and subscribing 100 guineas toward the fund which was being raised.

Only second to the King in the personal regard of Canadians was Lord Strathcona. Incidental reference has already been made to his work in various directions during the year, but something more must be said. His earnest advocacy of better transportation facilities around the Empire—or the "All-Red line" idea, as the popular phrase had it—was a special element in his public life during 1907, though by no means a new policy to him personally. A hint in the Yorkshire *Post* of Jan. 2nd, cabled out by the Canadian Associated Press, gave rise to numerous statements and comments as to his intended resignation of the High Commissionership. Lord Strathcona only expressed amusement at the reports and did not consider them worth denying when he reached Canada on Jan. 5th. A personal tribute paid him by an interviewer in St. John on that date may be noted here: "For a man in his eighty-seventh year Lord Strathcona may well be said to be the marvel of his time. The keen glint of the eyes beneath the shaggy white eyebrows, the close attention to the subject in hand, the grasp of every detail, and with it all the reserve that denotes a vigorous mind and steady will, show that the faculties of Canada's Commissioner are still in their prime." It was stated in the Montreal press at this time, in view of various inquiries, that Lord Strathcona's title would descend to his daughter, the Hon. Mrs. Robert Howard, and to her son, Donald Howard, then a boy of 16, and that this change in the line of usual succession was accorded by the late Queen after the sending of the famous Strathcona Horse to South Africa.

Following his arrival in Montreal Lord Strathcona paid his usual visits to Ottawa, and a part of the press, including the Ottawa *Free Press*, a Liberal organ, continued to repeat the story of his resignation and to state the possibility of Sir F. W. Borden being appointed High Commissioner. Finally, Sir Wilfrid Laurier himself denied the rumours on Feb. 15th, and the only practical result was a chorus of eulogistic references to his work in the British and Canadian press—the *Argus*, of Melbourne, Australia, stating editorially on Mar. 15th that: "It is well known that Canada owes a great deal of her popularity in Great

THE HON. SIR CHARLES MOSS, LL.D.

Chief Justice of Ontario.
Knighted by His Majesty the King in 1907.

Britain to the personality of Lord Strathcona, her High Commissioner. He is a notable figure in London society and a man of great influence with all parties. If Australia could secure the services of a representative such as he is for Canada, we should regard ourselves as very fortunate." In May there was a rumour in the newspapers that the King would raise Lord Strathcona to a Dukedom; another was that the Canadian Government would increase his salary to $25,000; another, voiced by Mr. Bickerdike, M.P., was the old story that he would be the next Governor-General of Canada.

On July 26 Lord Strathcona again sailed for Canada with, it was generally understood, an All-Red line mission, and reached Montreal on Aug. 2nd, after having crossed the Atlantic for the three-hundredth time. In His Lordship's annual Report to the Dominion Government, dated Aug. 13th, he reviewed the trade conditions of the British market, and pointed out what had been done to promote Canadian sales and what remained to be done. On Sept. 7th the High Commissioner issued a statement to the London press as to alarmist reports regarding Canadian crops, and on Nov. 21st was presented in London with a splendid silver centre-piece as a token of respect from Canadians resident in the metropolis. Mr. J. G. Colmer, C.M.G., and Dr. G. R. Parkin, C.M.G., were the Hon. Secretaries of the representative Committee which arranged the presentation. The Princess Louise and the Duke of Argyll were amongst those present, and, in his reply to the Address, Lord Strathcona said that his work in London had been to him a labour of love throughout: "While I hope very soon to be able to hand it over to younger and more able hands, still there is just one duty which yet remains which I should like to see accomplished. It is in the direction of bringing different parts of the Empire more closely together with a faster steamship service between this country and other parts of the Empire. The Hon. Mr. Sifton and myself hope that we may be able to work out a method which, in the end, will accomplish this. We owe it to ourselves that we should have an All-Red line. I think, whether it is very proper or not, that we should not be contented or satisfied until we have to every part of the Empire as fast and as good a service as can be given by any other nation." Early in the year Lord Strathcona had given a handsome donation to the Ottawa Choral Society; on June 30 Dublin University added one more to his many Hon. degrees of LL.D.; a little before this he had promised Aberdeen University £500 a year for five years with a view to aiding its historical researches in Asia Minor; on May 7th he gave a great reception at Knebworth in honour of the Colonial Conference.

A British incident of Mar. 2nd which must be mentioned was the County Council Elections in London under which the Socialists and believers in public ownership received a tremendous defeat

—their numbers being reduced from 82 in 1902 to 39 in 1907. Mr. Chamberlain's health remained in doubt during the year with frequent letters from his pen but no important public appearances. On the last day of 1906 Mr. James Bryce, M.P., resigned the post of Chief Secretary for Ireland and was appointed Ambassador to the United States; on Jan. 24, 1907, Mr. Augustine Birrell, M.P., was appointed his successor, and Mr. Reginald McKenna, M.P., President of the Board of Education; on Jan. 30 Mr. Walter Runciman, M.P., became Financial Secretary to the Treasury, Mr. C. E. H. Hobhouse, M.P., Under-Secretary for India, and Dr. T. J. Macnamara, M.P., Parliamentary Secretary to the Local Government Board. In April Lieut.-Gen. Sir W. G. Nicholson became Chief of the General Staff and 1st Military member of the Army Council; in August H.R.H. the Duke of Connaught was appointed Field Marshal Commanding-in-Chief the Mediterranean Forces, General Sir John French became Inspector-General of the Forces in Great Britain, and Lieut.-Gen. Sir H. L. Smith-Dorrien Commander-in-Chief at Aldershot. It may be noted here that the 1907 Report of the celebrated Cobden Club gave prominent place to a list of five gold medals awarded "for special services rendered to the cause of Free Trade" and included Sir Wilfrid Laurier as the 1897 recipient of the honour. In a list of 23 Honorary members in British countries were the names of Dr. Goldwin Smith, Sir Wilfrid Laurier, Sir R. J. Cartwright, Hon. W. S. Fielding, Hon. S. A. Fisher and Hon. Richard Harcourt. Of the Empire honours conferred by the King during the year the following were of special interest to Canadians:

April 26....Winston Spencer Churchill, M.P. .....P.C.
June 28....Colonel I. J. C. Herbert, C.B., C.M.G., M.P. .....Bart.
" " ....Sir William MacGregor, K.C.M.G., C.B., Governor of Newfoundland .....G.C.M.G.
" " ....Sydney Olivier, C.M.G., Governor of Jamaica...K.C.M.G.
" " ....Hon. Charles Fitzpatrick, Chief Justice of Canada .....K.C.M.G.
" " ....Alfred D. De Celles, LL.D., General Librarian of Parliament .....C.M.G.
" " ....Martin J. Griffin, LL.D., Parliamentary Librarian, Ottawa .....C.M.G.
" " ....William Mortimer Clark, K.C., LL.D., Lieut.-Governor of Ontario .....Knight.
" " ....Hon. F. C. S. Langelier, K.C., LL.D., Assistant Chief Justice of Quebec .....Knight.
" " ....Robert Gillespie Reid .....Knight.
" " ....Lieut.-General D.M.B.H. Earl of Dundonald, C.V.O., C.B. .....K.C.V.O.
" " ....Sir Thomas G Shaughnessy, President of the Canadian Pacific Railway .....K.C.V.O.
" " ....Sir Hugh Montagu Allan .....C.V.O.
Nov. 9 ....Sir Charles Tupper, Bart, G.C.M.G., C.B. .....P.C.
" " ....Charles Prestwood Lucas, C.B., Assistant Under-Secretary, Colonial Office .....K.C.M.G.

Nov. 9 ....Robert Millar Coulter, Deputy Postmaster-General, Ottawa .....C.M.G.
" " ....Hon. Charles Moss, K.C., Chief Justice of Ontario .....Knight.
" " ....Lieut.-General H. L. Smith-Dorrien .....K.C.B.
" " ....Dr. Thomas Clifford Allbutt, Regius Professor of Phyics at Cambridge .....K.C.B.
" " ....Major-General Sir E. T. H. Hutton, K.C.M.G., C.B. .....Lieut.-General.
Dec. 20....Lieut.-Colonel Hon. J. S. Hendrie, M.L.A. ....C.V.O.
....H. E. The Earl of Aberdeen, G.C.M.G., P.C. .....K.T.

Of these honours that conferred upon Sir Mortimer Clark, of Toronto, was exceptionally popular; Sir Charles Tupper's Privy Councillorship was universally recognized as a fitting compliment in the closing years of his able, aggressive and constructive life; the honour to Sir R. G. Reid, of Montreal, was the recognition of great public services in Newfoundland; that conferred upon Sir Charles Moss and upon Sir Francois Langelier marked appreciation of long judicial services; the title given Sir Charles Fitzpatrick was in recognition of an honourable public career and high legal reputation; the compliments to Sir T. G. Shaughnessy and Sir H. M. Allan marked the King's personal appreciation of many courtesies extended to Prince Arthur of Connaught when in Canada. In the Governorship of Colonies or Dependencies the chief changes of the year were the appointments of Sir H. E. McCallum to Ceylon; Sir Matthew Nathan to Natal; Sir Frederick J. D. Lugard, of Uganda and Nigeria fame, to Hong-Kong; Sir Sydney Olivier to Jamaica; Lieut.-General J. H. Wodehouse, C.B., C.M.G., to Bermuda; Lieut.-General H. F. Grant to Malta. Lord Cromer's retirement from a position of practically controlling power and rule in Egypt was an important event of the year; Sir J. Eldon Gorst, K.C.B., was, on Apr. 12, appointed his successor. As to India Sir G. S. Clarke was appointed Governor of Bombay in succession to Lord Lamington and, on Aug. 27th, a Royal Commission was appointed, with Sir H. W. Primrose as Chairman, to inquire into the financial and administrative relations existing between the Supreme and Provincial Governments of that Empire.

In Australia a Royal Commission on Old Age Pensions reported early in the year as to systems then in force in the States of New South Wales and Victoria and the Dominion of New Zealand. The amount involved per head ran from 8 to 10 shillings a week, commencing at 65 years of age, and the Commissioners recommended a similar system for the Commonwealth of 10 shillings weekly, payable at 65, and costing a total of $7,500,000 a year. During the summer the New Hebrides Commission, composed of Mr. Louis Malet, of the British Colonial Office, Dr. Fitchett, Solicitor-General of New Zealand, and M. Weber, of the French Colonial Office, met and dealt with questions of detail arising out of the recent Convention between France and Britain.

In the Commonwealth Parliament, on Jan. 20, Senator R. W. Best announced that he had joined the Government as Vice-President of the Executive Council, while Senator J. H. Keating had accepted the Ministry for Home Affairs. The Hon. A. J. Gould was elected President of the Senate. On July 31st the Rt. Hon. Sir John Forrest, who had been acting as Prime-Minister during Mr. Deakin's absence at the Conference in London, resigned his position as Treasurer on the ground of disagreement with the Labour party. He was replaced by Sir W. J. Lyne, while Hon. Austin Chapman became Minister of State for Trade and Commerce and Mr. S. Mauger Postmaster-General. The other Ministers remained as before—Mr. Deakin, Premier and Minister of External Affairs; Hon. E. Groom, Attorney-General; Hon. T. T. Ewing, Minister for Defence—and Senators Best and Keating, as above. An interesting succeeding event was the retirement of Hon. J. C. Watson, one-time Prime Minister and for many years leader of the Labour party of Australia. He was a strong advocate of Preferential Tariffs, while his successor, Mr. Andrew Fisher, M.P., of Queensland, was a Free Trader in opinion. During the year the Opposition in the House of Representatives re-elected Rt. Hon. G. H. Reid as its Leader and Mr. Joseph Cook as deputy. In Queensland the State elections took place in May with a balance of power in the hands of the Socialist-Labour party. In Victoria the State elections of March resulted in the Government of Hon. Thomas Bent being sustained by 50 to 15. In the New South Wales elections the Government of Hon. J. H. Carruthers failed to obtain a working majority—the Labour members and Independents approaching closely to the number of Government supporters. The Government was re-organized with Hon. C. G. Wade as Premier.

South Africa had various events in 1907 of Empire importance. The first was the holding of elections in the Transvaal under the new constitution; the running of 141 candidates for 69 seats, with five parties contending for mastery; the return, finally, of 37 Het Volk, 3 Labour and 6 Nationalists—constituting, as a whole, the Dutch organization—and 21 Progressives with 2 Independents, who composed the Opposition. The spectacular incident of the contest was the defeat of Sir Richard Solomon in Pretoria by the Progressive leader, Sir Percy Fitzpatrick, with Mr. E. F. Bourke, an Independent candidate, coming out third. On Feb. 23rd it was announced that General Louis Botha had formed a Government, with himself as Premier and Minister of Native Affairs; Mr. J. C. Smuts as Colonial-Secretary; Mr. T. Cullinan as Minister for Lands and Public Works; Mr. H. C. Hull as Treasurer; Mr. J. de Villiers as Minister for Justice; Mr. C. Rissik as Minister for Mines. Some changes in *personnel* took place during the year but without altering the character of the Ministry, and, on May 2nd, Sir Richard Solomon was appointed

Agent-General in London. Then followed the Premier's visit to London and his striking expressions of loyalty; the undertaking by the Imperial Government to guarantee a Loan of $25,000,000 for the Transvaal; the presentation, on Nov. 9, of a magnificent diamond—said to be the largest in the world—by the Transvaal Government and Parliament to King Edward; the choice of Sir George Farrer as Progressive leader in the Colony, with Sir Percy Fitzpatrick as his deputy.

On June 10 letters-patent were issued granting to the Orange River Colony a constitution similar to that of the Transvaal and including a Legislative Council of 11 members nominated by the Governor; a Legislative Assembly of 38 members; a Speaker, who could not be a member of the Assembly whilst holding that office; with Dutch and English as joint languages, payment of members, manhood white suffrage, and no servile labour, as the chief points of the scheme. Sir Hamilton Gould-Adams remained Governor of the Colony as the Earl of Selborne had done in the Transvaal, and, on Nov. 25th, the new Government was announced as composed of Mr. C. Fischer, Premier and Colonial Secretary; General Hertzog as Attorney-General and Director of Education; Dr. Ramsbottom as Treasurer; Mr. C. H. Wessels as Minister of Public Works, Lands and Mines; General Christian De Wet, of War fame, as Minister of Agriculture. In the ensuing general elections the Dutch party, represented by these gentlemen, had an overwhelming victory of 30 to 8. Cape Colony distinguished itself during 1907 by a movement toward Federation with the other Colonies in South Africa. Speeches by J. H. Hofmeyr, the Leader of the Boer Moderates, and by Dr. Jameson, the Prime Minister, were strongly favourable, and on July 23rd Mr. F. S. Malan, a Dutch leader in the House of Assembly, moved a Resolution instructing the Government to approach the other Colonies with a view to Federation. Seconded by Dr. Jameson, the motion passed unanimously. In the Transvaal, Sir George Farrer, Progressive leader, took the same ground. The Cape elections at the close of the year resulted in the defeat of the Jameson Government and the accession (early in 1908) of Mr. J. X. Merriman as Premier. Both leaders advocated Federation of the South African Colonies.

The seditious troubles in India touched local conditions in Canada at more than one point. The arrival and treatment of the "Hindu" immigrants in British Columbia created a reflex wave of influence which promised to increase the difficulties of a year hence in India by reflecting upon the British Government's power to protect its Indian subjects; while the visit of Mr. Keir Hardie to the Dominion led to his talking nonsense of a dangerous kind amongst the ignorant and inflammable natives in the Eastern Empire about government for them "as it is in Canada." To this Mr. John Morley, Secretary for India, replied at Arbroath

on Oct. 21st as follows: "People must banish from their minds one fallacy to which, it was alleged, utterance had been given by a member of Parliament now travelling in India, namely that what was good for Canada was good for India. That was the grossest, most dangerous and most hollow of fallacies in all politics. He might just as well have said that a fur coat that suited a Canadian winter would suit the parched Deccan. The historical conditions, religious beliefs, and racial conditions, were all different. To transfer by mere logic all the conclusions we applied to one case to another was the height of political folly." The stuff which filled the Bengal native papers at this time may be illustrated by one extract: "Englishmen are not gods, nor men, but monsters." Other papers boldly advocated the use of bombs and circulated millions of sheets of treasonable appeal. Upon the question of Hindu rights, in other parts of the Empire, *The Times* spoke as follows on Sept. 9th:

> The self-governed States take a legitimate pride in declaring their loyalty to the British Crown and their love of the British Empire; but it must be admitted with regret that their local interests and prejudices at times blind them to the wider aspects of the situation. They do not always appreciate as they might the difficulties which the Imperial Government has to overcome in performing loyally its obligations towards other Powers and its duties to all members of the Imperial family, while maintaining a due regard for the legitimate interests, and even the susceptibilities, of the self-governing States. It is right and just that Canada and South Africa, Australia and New Zealand, should take all adequate precautions to ensure that their splendid heritage may be preserved to the white races; but there is a point beyond which precaution becomes prejudice and the adequate passes into the unreasonable.

There were a couple of Conferences in London during the year which were really subsidiary to the Colonial Conference. The first was a gathering of representatives from the Colonial Office, Australia and New Zealand, from the British Board of Trade and from the Ship-owners' and Seamen's Associations of Great Britain, to discuss the terms of the New Zealand Shipping and Seamen's Act of 1902 and a similar Australian Act of 1904. The Conference had been suggested in 1905 with a view to promote uniformity in mercantile shipping regulations. Sir W. J. Lyne, Mr. Dugald Thomson, M.P., and Dr. Wallaston, of Australia, with Sir Joseph Ward, of New Zealand, were the chief Colonial representatives, while Mr. Lloyd-George presided over the meeting, which was opened on Mar. 26th. The discussion lasted, off and on, for a month and Resolutions were passed favouring the Australian adoption of the British Workmen's Compensation Act relating to seamen; recommending various regulations regarding deserters; safeguarding shipping legislation in its effect upon treaty obligations; providing against Colonial coasting regulations which might unintentionally favour foreign shipping; promising on the part of New Zealand and Australia to accept certain Imperial

standards as to the vessels, seamen and officers employed in the coastal trade. A Resolution as to the non-employment of coloured people on such vessels was withdrawn by British request and one was passed requesting the Colonial Governments to enact legislation along the lines decided upon wherever it might be necessary. The principal Resolution approved was, however, one which defined coasting trade in Australian waters. It was to the effect that vessels not registered in a Colony could only carry passengers and cargo from oversea places so long as they did not take on board passengers or cargo from one local point to another.

The Federal Conference on Education, as it was called, commenced on May 24th and lasted a week. Little was heard of it in Canada owing to the entirely inadequate and confusing cable reports; although the Canadian and other representatives were men of standing and the proceedings of great importance and interest. The Provincial delegates from Canada were Hon. J. J. Foy, K.C., for Ontario; Dr. G. W. Parmalee, of the Quebec Department of Public Instruction, for that Province; Dr. A. H. MacKay, Superintendent of Education, for Nova Scotia; Dr. J. R. Inch, Chief Superintendent of Education, for New Brunswick; Hon. C. H. Campbell, K.C., Minister of Education, for Manitoba; Mr. J. H. Turner, Agent-General, for British Columbia; Hon. A. C. Rutherford, Premier and Minister of Education, for Alberta; Hon. J. A. Calder, Minister of Education, for Saskatchewan. Various Universities were represented, and amongst these and other Canadian delegates were Dr. G. R. Parkin, C.M.G., J. L. Hughes, of Toronto, R. E. Gosnell, of Victoria, and W. L. Grant, M.A. There were others present from all parts of the Empire, including Australian public men such as Mr. T. A. Coghlan, Hon. J. G. Jenkins, Sir Horace Tozer, Hon. C. H. Rason and Sir Langdon Bonython, together with many leading educationalists and British delegates such as Sir William Anson, of Oxford, Sir Arthur Rücker, of London University, Sir William Turner, of Edinburgh, Sir Isambard Owen, of Durham, Sir Charles Elliot, of Sheffield. From Cape Colony came Dr. Muir, Chief Superintendent of Education.

Called under the auspices of the League of the Empire, the first meeting was welcomed by Lord Tennyson as President of the League and presided over by the Earl of Crewe. The first business was a loyal message to the King and a cordial reply from His Majesty. Many speeches were delivered dealing with the problems of Education—local and general, Imperial and individual, British, Canadian, South African and Australian. On May 30 the Rt. Hon. A. J. Balfour, M.P., as Chancellor of Edinburgh University, delivered an eloquent and analytical address dealing with the place of Universities in Empire development. Resolutions were passed as follows: (1) Asking the Colonial Office and British Board of Education to officially issue particulars as to

courses of study, fees, expenses of living, advantages of training and system, at Colonial Universities and Colleges and declaring that similar information should be circulated in the Colonies as to British Universities and Colleges; (2) declaring it desirable that a University Committee should be formed to facilitate, if possible, the exchange of information as to standards and courses between the Universities of the Empire; (3) describing a quadrennial Education Conference as desirable, with the representatives selected by the Governments concerned, and the next one to be convened by the Imperial Government; (4) expressing itself in favour of the organization of a permanent Bureau of Educational Information and favouring the making of financial and administrative arrangements for enabling teachers and inspectors to acquire professional knowledge and experience in other parts of the Empire; (5) proclaiming the undesirability of taking any steps to create uniformity in text-books or curricula throughout His Majesty's dominions; (6) expressing the desirability of the Departments of Education throughout the Empire defining with precision, from year to year, the terms used in their regulations and the basis upon which their statistics were prepared. Associated with this idea of Educational unity was the progress of the Rhodes' Scholarships scheme under Dr. Parkin's management. The whole number of these scholars in October, 1907, was 160 and amongst the honours awarded during the year was the Chancellor's Prize for the best Latin essay, together with an official Fellowship at Exeter, to H. J. Rose, of McGill. At a meeting in the Guildhall, London, on April 23rd, with the Lord Mayor in the chair, a movement was started to raise £5,000 for providing special instruction in the schools of the United Kingdom as to life in India and the Colonies. The Princess of Wales sent a contribution of £50, and the Duke of Somerset moved, supported by Lord Milner, a Resolution declaring that: "The teaching of Empire subjects with the aid of official maps and text-books should be obligatory in all elementary and secondary schools in Great Britain, and that the Government be requested to lend official assistance in the preparation of such maps and text-books and to sanction the permanent display of Empire maps in all schools, post offices and public buildings." Dr. Parkin also spoke.

Empire Day was increasingly celebrated during 1907. In London 800,000 children saluted the flag in ceremonial form, and it was estimated that over 4,000,000 others throughout Great Britain paid a similar tribute to the idea of unity. It was stated that 15,000 schools took part on May 24th as compared with 9,000 in 1906. Demonstrations in varied form were held in many parts of Great Britain. A statue of Queen Victoria was unveiled in Melbourne, Australia, by Sir John Madden, Lieut.-Governor of Victoria, before an immense audience and with an eloquent speech; schools everywhere celebrated the day; and Mr. Deakin, Prime

Minister of the Commonwealth, wrote the London *Standard* (in response to its request for a message) that "Empire Day arouses, or should arouse, all British peoples to our responsibilities, which are as vast as our domains. We have a new Empire in the making, and it is we who are making it. Though its evolution is proceeding slowly, we have imperfectly realised the nature or growth of its greatness." There were no precedents for the great task of unity that had been taken up, but, "by mutual aid, by patience and forbearance, and by strenuous efforts towards integration, we may yet attain unity and influence commensurate with the height and breadth of achievement still open to us this Empire Day." In Canada the usual and almost universal school exercises and celebrations were continued. In Montreal the High School pupils listened to an appeal from Mr. Arch. McGoun, K.C., for an "Imperial Council"; in Toronto 30,000 pupils shared in the day's programme, which included patriotic songs, essays, addresses, a parade and the decoration of monuments. So also at Winnipeg, in Halifax on the Atlantic, and at Victoria on the Pacific.

Incidents of the year were many, but can only be sketched very briefly here. A Colonial Office *Journal,* edited by Messrs. W. H. Mercer, C.M.G., and R. O. Vernon, was started in June; the Imperial Service Order was, by special Royal enactment, placed next in rank and precedence after the Distinguished Service Order; to the leading cities of all parts of the Empire the British and Foreign Sailors' Society presented a bust of Nelson resting upon an oak pedestal made out of the famous *Victory;* the Pacific Cable report for the year ending March 31st showed a gross message revenue of £116,401 and expenditures of £90,985, with a total net deficit, after paying interest, etc., of £69,000—leaving Canada's payment for the year as £18,600; Lord Curzon in an address on Dec. 11, at Birmingham, looked forward to the day when the British Sovereign would visit his dominions in person and hold his Court in Calcutta or Quebec, in Melbourne or Cape Town; Mr. Colin Forbes' painting of Sir H. Campbell-Bannerman for the National Liberal Club created comment in which praise far exceeded the criticisms cabled out to Canada; arrangements were made by which, under special Imperial Order-in-Council, graduates of Dalhousie University and of the Halifax Medical College were entitled to registration in Britain and to the privileges of Medical practice and Army service in the United Kingdom; Captain C. E. Kingsmill, of H.M.S. *Dominion,* whose ship was partially disabled by an accident in the St. Lawrence during 1906, was given command in May of the *Repulse,* a battleship of 14,000 tons; the honourary degree of M.D. was given to Dr. Wilfrid T. Grenfell, C.M.G., of Labrador fame, by Oxford University on May 28th; Dr. William Bayard, of St. John, was made an Hon. LL.D. of Edinburgh University on July 26.

The retirement of Hon. Edward Blake, K.C., from the Imperial Parliament in July caused widespread comment and many expressions of regret in Great Britain. The reason stated, in a brief valedictory to his constituents of South Longford on July 19, was inability through illness to perform his duties, and in August he was home in Toronto looking very frail and feeble. London *Punch,* of July 31st, paid Mr. Blake the following tribute: "He was not insistent in speech-making. When he did interpose he bestowed upon the House the fruits of statesmanlike instinct, wide culture and long experience in public affairs. Nothing less like the typical Irish Nationalist member could be imagined than the grave and reverend seignior who, in slow, well-ordered speech, reasoned with the adversary. Loyal in every thought, honest in every fibre, he sat among the Irish Nationalists, but he was not of them." Of miscellaneous honours received by Canadians in Great Britain during 1907 there may be mentioned the appointment of Captain H. S. Rogers, R.E., of Peterborough, as Surveyor of Prisons for England and Wales; the winning of the Jacksonian Prize at the Royal College of Surgeons by Dr. Donald Armour, of Toronto; the election of Dr. R. A. Reeve, of Toronto, as Vice-President for life of the British Medical Association; the appointment of Rear-Admiral John Denison, A.D.C., to command the Home Squadron, with headquarters at Plymouth; the selection of Captain Frederick Charles Doveton Sturdee, R.N., C.M.G., C.V.O., of St. John, as a naval A.D.C. to the King; the appointment of Lieut.-Colonel Sir E. P. C. Girouard, R.E., K.C.M.G., D.S.O., as High Commissioner and Commander-in-Chief of Northern Nigeria after a career which included service in the Soudan, in Egypt, in Cape Colony, the Transvaal and Orange River Colony.

The British Empire League, under the Presidency of the Earl of Derby, undertook the special entertainment of the visiting Prime Ministers during the Conference, organized a large fund for the meeting of expenses and contributed greatly to the lavish hospitality of the occasion. It established the British Empire Club in London as a social centre for Colonial visitors and residents, and took an active part in the preliminary arrangements for the Franco-British Exhibition of 1908 in London. Lord Curzon of Kedleston became a Vice-President during the year, and Sir Richard Solomon, Agent-General for the Transvaal, joined the Executive Committee. In Canada Lieut.-Col. G. T. Denison remained President of the local League, as did Mr. Bruce Smith, K.C., M.P., in Australia.

Amongst the deaths of Empire and Canadian interest during 1907 were those of Lord Haliburton—son of T. C. Haliburton, of "Sam Slick" fame and Canadian literary achievement; General Lord Alexander Russell, G.C.B., who at one time commanded the troops in Canada; Sir John See, K.C.M.G., ex-Premier of New South Wales, Australia; General Sir Robert Rollo, G.C.B.,

who served in Canada from 1855 to 1865; Sir Henry Cuthbert, M.L.C., of New South Wales; Sir Penrose Goodchild Julyan, K.C.M.G., who served in Canada during 1837-9, and was for many years Crown Agent for the Colonies; Colonel Nicholas William Kelly, C.B., V.D., Commander of the Victoria (Australia) Bushmen in the Transvaal War; Admiral Sir Francis Leopold McClintock, who shared in, or led, so many Northern voyages. The following were a few of the most important books published during the year dealing with Imperial affairs:

The Letters of Queen Victoria	A. C. Benson, M.A.; Viscount Esher, K.C.B.
Modern Egypt	The Earl of Cromer.
Passages from the Past	The Duke of Argyll.
Advance, Australasia	Frank T. Bullen.
Life and Work of Richard John Seddon	James Drummond.
Sir George Grey; Pioneer of Empire.	Prof. G. C. Henderson, M.A.
The Wheel of Wealth	Dr. John Beattie Crozier.
The Royal Tour of India	Stanley Reed.
Lord Milner's Work in South Africa.	W. Basil Worsfold.

Calling of the Colonial Conference of 1907

The first British Colonial Conference was held in London during Queen Victoria's Jubilee in 1887, with Sir Alexander Campbell and Mr. Sandford Fleming as the Canadian delegates, and Sir H. T. Holland (afterwards Lord Knutsford), Colonial Secretary, in the chair; the second was at Ottawa, in 1894, with Sir Mackenzie Bowell as Chairman, the Earl of Jersey as delegate from Great Britain, and representatives present from Australasia and South Africa; the third was in London during the Diamond Jubilee of 1897, with Mr. Chamberlain in the chair and the Colonial Premiers as delegates; the fourth was held during the King's Coronation celebrations, with the Colonial Secretary presiding and the Colonial Premiers in attendance—though the *personnel* was somewhat changed. In 1897 and 1902 Sir Wilfrid Laurier had represented Canada. At this latter gathering it was decided by Resolution that Conferences should be held in future, if practicable, at intervals not exceeding four years. The Conference of 1887 was, in the main, an informal meeting for consultation amongst leading public men who happened to be in England at the Jubilee and the subjects discussed were non-political and, in the main, non-contentious; that of 1894 was a Canadian extension of the idea in a more organized form and with trade and tariffs as the central theme of discussion; that of 1897 was in response to an invitation to Colonial Premiers to be present at the Diamond Jubilee and to also take part in "an informal discussion" of subjects of interest to the Empire; that of 1902 was very similar in its constitution—Mr. Chamberlain intimating that the Government desired to take advantage of the presence of Colonial Premiers at the King's Coronation in order to discuss matters of

Empire interest. The discussions were fuller and freer and the results more specific.

The Conference of 1907 was different in form and evolution. It grew out of the preceding gathering and was not held as a part or incident of any great celebration. It was looked upon as a fixture and discussed in the British elections of 1906 as a vital factor in the political situation. It was preceded by correspondence in 1905 between Mr. Lyttelton, then Colonial Secretary, and the various Colonial Governments as to the possible development of the idea into an Imperial Council with a permanent Secretariat.* It was widely discussed in speech and press and pamphlet, in Parliaments and Cabinets, long before it met. Under normal and expected conditions the gathering would have been held in the summer of 1906, but it was found impossible for all the Premiers to get away at a suitable date, and it was, therefore, adjourned to 1907 after considerable correspondence between the Colonial Office and the Governments concerned. In this connection the Canadian Government endeavoured to have the status of Colonial Ministers, other than Premiers, and attending the Conference in an advisory capacity on behalf of their Departments, changed to that of full representatives in the Conference. At the same time some of the Australian Governments wanted the different States of the Commonwealth represented. Lord Elgin declined to accede on the ground that he could not change the existing form of the Conference without its consent, and to the Canadian Government pointed out that the members of the British Government attended in the same way, in the same advisory capacity, and only upon invitation of the Conference.

On Jan. 4, 1907, Lord Elgin wrote to the Governors-General of Canada and Australia and the Governors of New Zealand, Newfoundland, Natal, Cape Colony, and afterwards of the Transvaal, making suggestions for the gathering which had been decided upon for April 15. He formally proposed the following subjects (already suggested by various Colonies) as a nucleus for discussion though not necessarily as a limitation upon discussion: Constitution of future Conferences; Preferential trade; Defence; Naturalization and emigration; Judicial appeals; Reservation of bills; Extension of British interests in the Pacific. Finally, and if time allowed, discussion might, he thought, proceed with regard to Uniformity of patents and merchandise marks; Legislation; Reciprocity in professions; and the metric system. Canada had declined to make any suggestions whatever (despatch, Sept. 26, 1906). New Zealand had suggested the creation of an Imperial Council and the following subjects for discussion: Preferential Trade with the United Kingdom, Reciprocal admission of barristers, Naturalisation, Defence, Islands of the Pacific, Reservation

* NOTE—For records of the 1902 Conference, the Lyttelton Correspondence of 1905 and the discussion of the subject in the British elections of 1905-6, see *Canadian Annual Review* for those years.

of bills, Reciprocity as to land surveyors, Preferential Trade between self-governing Dependencies, and International Penny Postage. Cape Colony proposed to submit resolutions relating to Imperial defence, British preference, income tax, Imperial cable communication, Privy Council appeals, merchandise marks and patents, uniform legislation for naturalisation of aliens, and ocean freights. Australia was most elaborate and varied in recommendations, of which the following is a condensed summary:

1. That it is desirable to establish an Imperial Council to consist of representatives of Great Britain and the self-governing Colonies chosen, *ex-officio*, from their existing Administrations.
2. That it is desirable that the Preferential treatment accorded by the Colonies to the products and manufactures of the United Kingdom be also granted to the products and manufactures of the other self-governing Colonies.
3. That it is desirable that the United Kingdom should grant a preference to the products and manufactures of the Colonies.
4. That the Colonies should be represented on the Imperial Committee of Defence. That the Colonies should be authorized to refer to the Committee for advice on local questions in regard to which expert assistance is deemed advisable. That the provisions of the Naval Defence agreement of 1902 be reconsidered.
5. That the privilege of engaging in the coastwise trade between the United Kingdom and the Colonies, and in trade between the several Colonies, be refused to countries which reserve their own coastwise trade exclusively for their own vessels. That steps be taken to promote Imperial trade in British vessels.
6. That the officials of the Colonial Office should acquire a larger knowledge of the Colonies by appointments, by temporary interchanges, periodical visits, etc.
7. That, in view of the approaching construction of the Panama Canal it is desirable to strengthen British interests in the Pacific by all possible means.
8. That there should be Imperial recognition of patents.
9. That it is desirable to establish an Imperial Court of Appeal.
10. That it is desirable to encourage British emigrants to proceed to British Colonies rather than to Foreign countries.
11. That the Imperial Government be requested to appoint a Royal Commission to deal with the organization of a decimal coinage system for the whole Empire.
12. That patents granted in one British country should be valid in all.

The possible decisions and general range of the Conference were much discussed throughout the Empire long before the various Premiers and Ministers left for London. In Canada a good deal was spoken and written upon the subject, but it may be said with certainty that no expectations of any great result were expressed or apparent. This was partly because of the attitude of the British Government on tariff matters; partly because of the Canadian Government's known opposition to the organization of an Imperial Council or to any contribution towards Imperial defence; partly because of the devotion of nearly everybody to the work of exploiting the "good times" and developing the vast resources of a vast country; partly because of the lack of press news or of any adequate cable despatches treating of British public

opinion and policy; partly because little was known of the proposals to be dealt with at the Conference or of the suggestions presented by the other Colonies. The Toronto *Globe* of Feb. 20 dealt with the coming meeting as follows: "A free, frank and open exchange of views among the delegates to the Colonial Conference cannot fail to promote a better understanding among the various members of the Imperial family, and in that way must tend to strengthen the ties that bind them in a common national allegiance. All war has been wisely attributed to misunderstanding, and if a disintegrating influence should ever appear among the nations that go to make up the British Empire it will come through lack of mutual regard for divergent points of view." All creative policy of a constitutional character was tabooed in many directions; as the same paper put it on Mar. 15 an Imperial Council with extensive authority might become "obstructive, burdensome, mischievous and even disintegrating in its influence," yet it would be fastened like an old man of the sea upon the people who had given it authority.

The subject was discussed by the Montreal *Star* on Mar. 19 with the conclusion that "the Canadian delegation seems likely to play the part of a brake on the wheel. It has nothing to propose for discussion. It does not like the idea of advancing the Conference to a Council. It will listen and criticise. Still, it will have to assume a very serious responsibility if it checks any movement toward a cure of the anomalous condition which now exists." As to Imperial Defence the Toronto *News* of April 5 used the following plain words: "We have failed to educate our people to understand the value of the British Navy to our seaborne commerce, and are forever propagating the delusion that we stand in a different position from any other country on the earth and that all expenditures for defence are wasteful and jingoistic. The Canadian Ministers, therefore, go to the Old Country to resist any project designed to secure naval contributions from the Colonies, and we may just as well admit that they represent the dominant public sentiment in the English Provinces as well as in Quebec." The last two papers quoted were Conservative in their leanings and in favour of an active Imperial policy; the chief Liberal organ, *The Globe,* may be quoted again (April 6) upon this point of Imperial defence: "Should the need for participation in the active defence of the Empire ever arise Canadians would be found willing, as before, to aid the Mother-country; but no such contingency is for the present impending, or even remotely probable and, meanwhile, they prefer to spend their money in developing their country, knowing that they are, in doing so, taking the very best course possible to strengthen the Empire." All kinds of opinions were expressed. The Winnipeg *Telegram* (Conservative) opposed the Imperial Council idea but favoured reasonable aid in defence; so did the Toronto *World* (Ind. Cons.); the Regina

Standard (Cons.) thought that closer British relations would increase the difficulties along Canada's Southern frontier; the Toronto *Mail and Empire* (Cons.) favoured the Council as proposed, but did not see a great deal in names; leading Liberal papers, such as the Montreal *Herald,* the Halifax *Chronicle,* the Winnipeg *Free Press,* shared pretty much in the views of the Toronto *Globe.*

In the House of Commons, on Mar. 27th, Mr. R. L. Borden, Opposition Leader, brought up the question in a speech of interrogation as to why Canada had submitted no proposals and what was the Government's policy in the Imperial Council proposals, Preferential trade, Defence questions, Emigration, Cattle embargo, etc. Two days before this, in connection with rumours that the Prime Minister would be unable to attend the Conference, Hon. G. E. Foster, on behalf of the Opposition, had urged him to do so, had expressed appreciation of his policy in promoting the gradual development of these meetings, and had declared the Conservative party ready to facilitate business, avoid contentious subjects, and do all that was possible to help the Premier in getting away. Mr. Borden, in his succeeding speech, also pressed home the importance of attendance by the Premier of Canada. In reply, Sir W. Laurier defended the absence of any suggestions by his Government: "It seems to me rather a cause for rejoicing that the relations between Canada and the Mother-country are so happy that we see no particular ground for improvement, at least in the immediate future. We are satisfied with our lot as it is; we are satisfied with the measure of legislative independence which we enjoy; we are satisfied with being a part of the British Empire; and are ready to go to London to perform the task which is sought of us." As to a new Council the Colonial Office could, he thought, answer all present purposes; though his Government was quite ready to discuss the matter at the proper time and place. Upon the trade question they had nothing to offer; they stood by the policy of 1902 and the cordial acceptance of a British preference whenever it was offered by the British people. The Empire could, he declared, only be maintained "upon the idea that every one of the nations which compose it must be allowed to determine for itself what is best for that nation." As to defence, he reiterated his oft-expressed opinions and declared again that "for no consideration would Canada consent to be drawn into the vortex of European militarism." Mr. Foster followed in a criticism of the Government for over-caution in this matter; for not supporting the idea of an Imperial secretariat and intelligence bureau; for not encouraging British emigration; for doing nothing to promote a Naval Reserve; for not distinguishing between the inflated militarism of Europe and the necessary defensive arrangements of England and Canada.*

* NOTE—Articles upon the Conference were published in the *Queen's University Quarterly* for April and in the *University Magazine* of Montreal for the same month.

Australian public opinion must be summarized more briefly. It was one of greater popular interest in the gathering than Canada showed—so far as outward manifestations went. The State Parliaments and Governments wanted representation; the Opposition Leader in the Commonwealth (Rt. Hon. G. H. Reid) offered a political truce during Mr. Deakin's absence, as did the Labour members of Parliament; the Premier left Australian shores with a large programme of approved proposals after various farewell functions and many press interviews. To the Melbourne *Argus,* on March 12, Mr. Deakin stated that he considered Immigration and Imperial Defence as the two most important of the subjects to be discussed. As to the Conference itself, it would help in "promoting concerted action in respect to the larger questions of Imperial concern in which the Mother-land and the self-governing Colonies are mutually interested. Previous Conferences, especially those of 1897 and 1902, paved the way for a movement of a more permanent character, which must prove of great service in promoting the interchange of ideas between the several parts of the Empire to their mutual advantage." The press opinions were too varied to quote but, of the greater newspapers, the Sydney *Herald* (Mar. 30) described the event as "a striking demonstration of the unity of the Empire," and hoped that the deliberations would end in more than talk, while the Melbourne *Argus* (April 13) declared that much was not hoped for from the meeting "because things are going well with Australia and the Empire." At the same time it proclaimed the great value of these gatherings. "Conferences such as these keep the avenues of communication wide open, give the leaders of empire a personal knowledge of each other, draw the pointed attention of the too numerous provincialists of Great Britain to the fact that there is a great Empire beyond the seas, lead them to doubt whether the self-satisfied stay-at-homes are the greatest men on earth, and thus prepare the way for a closer co-operation in Imperial matters when opportunity offers or circumstances enforce it."

British sentiment, as expressed in speech and press and magazine, was one of cordial welcome, hopeful attention, occasional political controversy. Under the initiative of Sir Frederick Pollock, who visited Canada in 1906 upon a semi-official mission, a Memorandum was made public on Mar. 14 summarizing the various arguments in favour of a permanent Secretariat to carry on the work of the Conference from one meeting to another. It was signed by the Duke of Devonshire, Lord Milner, Lord Tennyson, Lord Avebury, Sir J. C. R. Colomb, the Rt. Hon. Charles Booth, Sir Felix Schuster, Sir Gilbert Parker, Mr. J. G. Colmer, C.M.G., Hon. W. P. Reeves (representing New Zealand), Hon. B. R. Wise, of Australia, and a number of others. As to the general objects of the meeting a London *Times* special correspondent aroused discussion by analyzing the issue as one of "sever-

ance or partnership"; the London *Standard* described it as indicating a new era of relationship and declared (April 15) the time as having now arrived for building "a permanent superstructure of Empire"; the London *Chronicle* (Mar. 23) declared that "the organization of the whole Empire as a political unit is proceeding with strong steady growth, and that which fifty years ago would have seemed impossible is to-day a splendid consummation within sight."

Proceedings and Resolutions of the Conference

According to the usual and generous hospitality of the Imperial Government those who attended the Conference, whether they were Colonial Premiers, the Ministers who accompanied them, or their families and private secretaries, were treated as guests of the nation and provided with State apartments at the Hotel Cecil. Each of the Premiers as he arrived was formally received and welcomed—the greeting accorded in public as well as in private to the Premier of the Transvaal being specially notable. The Conference itself opened at the Colonial Office on April 15 with the Earl of Elgin, K.G., Colonial Secretary, in the chair. With him were the Rt. Hon. Sir H. Campbell-Bannerman, Premier of the United Kingdom, and other members of the Government—including the Rt. Hon. John Morley, O.M., Rt. Hon. R. B. Haldane, K.C., Lord Tweedmouth, Rt. Hon. John Burns, Rt. Hon. D. Lloyd-George, Mr. Winston Churchill, Parliamentary Under-Secretary for the Colonies, Sir Francis Hopwood, Permanent Under-Secretary, and other officials of the Colonial Office or Secretaries to the Ministers. The Delegates were as follows:

Country.	Premier or Representative.	Area.	Population.
United Kingdom	Earl of Elgin, Colonial Secretary	121,115	42,372,556
Canada	Rt. Hon. Sir Wilfrid Laurier	3,653,346	6,000,000
Australia	Hon. Alfred Deakin, K.C.	2,946,358	4,000,000
New Zealand	Hon. Sir J. G. Ward, K.C.M.G.	104,751	950,000
Cape Colony	Hon. L. S. Jameson, C.B.	276,995	2,501,635
Natal	Hon. F. R. Moor	29,454	1,100,000
Transvaal	Hon. Louis Botha	113,640	1,300,000
Newfoundland	Rt. Hon. Sir Robert Bond, G.C.M.G.	162,200	220,615

Sir Robert Bond did not arrive in time to attend the first meeting and the Colonial Ministers in attendance with some of the Premiers were not present until their position at the Conference should be defined. They included the Hon. Sir F. W. Borden, K.C.M.G., Canadian Minister of Militia and Defence; Hon. L. P. Brodeur, Canadian Minister of Marine and Fisheries; Hon. Sir William Lyne, Australian Minister for Trade and Customs, and Dr. H. N. P. Wallaston, I.S.O., Permanent Head of the Customs Department; the Hon. Dr. Thomas W. Smartt, Commissioner of Public Works from Cape Colony. The first proceeding of the Conference was that of Lord Elgin in reading a telegram of welcome from His Majesty the King, and this was followed by an

address from Sir H. Campbell-Bannerman. He defined the Conference as one between the Colonial Premiers and the Members of the British Government under the Presidency of the Colonial Secretary; described it as not a ceremonial gathering, but a conference for business; declared the essence of the Imperial connection to be "freedom of action on the part of the individual State, freedom in the relations with each other and with the Mother-country"; expressed the hope that this freedom would not, however, mean a policy of drift; paid tribute, as did all the other speakers, to the Empire services of Mr. Chamberlain; mentioned the fact that this was Sir Wilfrid Laurier's third Conference—a record feat in attendance; pointed out that "the cost of Naval defence and the responsibility for the conduct of Foreign affairs hang together."

Sir Wilfrid Laurier was the first speaker to follow, and his chief remark was the description of the Conference as one "between Governments and Governments, between the Imperial Government and the Governments of the self-governing Colonies of England." Mr. Deakin was emphatic as to the necessity for publicity in the proceedings and urged that the press be admitted to the debates; he also expressed the hope that the Prime Minister of Great Britain would, in future Conferences, be the titular President and preside, whenever possible, over this gathering of Governments. Addresses were also delivered by Sir Joseph Ward, Dr. Jameson, Mr. Moor and Mr. Botha. The last-mentioned stated that his desire had been to prove by attendance at the Conference that "the old Dutch population of the Transvaal would work equally loyally with the English population for the welfare of the Transvaal and the whole British Empire." A telegram of grateful thanks was then sent to the King; it was decided that only a *précis* of proceedings should from day to day be given to the press and the publication of the full debates be laid over for further consideration; and Ministers accompanying the Premiers were recognized as Members of the Conference though entitled to speak only when desired by the President, or by their own Premier, and without the power to vote. The British Premier appointed Sir James Lyle MacKay, of the India Council, to attend as representative of that Empire. During this meeting a cablegram was received by Mr. Deakin from the Acting-Premier of Australia as follows: "Colleagues wish to express to you a fervent hope that the labours of the Conference will assist in promoting (1) the increase of trade and commerce among British peoples, (2) the maintenance of the British supremacy on the sea, and (3) the closer union in the bonds of loyalty and affection of the British race throughout the world."

On Apr. 17 and the following day the subject of discussion was the future constitution of the Conference; what Mr. Deakin termed its continuance under improved methods, systematized pro-

cedure, larger information, greater efficiency, with increased dignity and prestige; together with the general question of developing it into an Imperial Council with permanent functions. After a varied discussion in which Sir Wilfrid Laurier urged that future Conferences be termed "Imperial"; Sir Joseph Ward suggested the designation of "States of the Empire" instead of "Colonies"; Dr. Jameson expressed the belief that the seed they were sowing would eventually develop into a closer union; Mr. Botha wished to maintain the close connection of the Colonial Office with the Colonies and to bring the Agents-General into closer touch with the Conference; Lord Elgin briefly summarized the situation. As to an Imperial Council or the establishment of a body with independent status or authority, it would be very difficult for him to agree on behalf of His Majesty's Government. A proposal of that kind might be a danger to the autonomy of all. He went on to say that the designation of "Imperial Conference," upon which the Delegates appeared to agree with practical unanimity, might be regarded as accepted by His Majesty's Government. Then there was the question of maintaining the impetus given by the meeting of the Conference. He stated that if the Conference would call upon the Colonial Office to provide for the continuity which it desired, then the Colonial Office would do its best to meet that wish, and added that some re-organization of the Office was already under consideration. Finally, the following Resolution was unanimously approved:

That it will be to the advantage of the Empire if a Conference to be called the Imperial Conference is held every four years, at which questions of common interest may be discussed and considered as between His Majesty's Government and his Governments of the self-governing Dominions beyond the seas. The Prime Minister of the United Kingdom will be *ex-officio* President and the Prime Ministers of the self-governing Dominions *ex-officio* members of the Conference. The Secretary of State for the Colonies will be an *ex-officio* member of the Conference and will take the chair in the absence of the President. He will arrange for such Imperial Conferences after communication with the Prime Ministers of the respective Dominions. Such other Ministers as the respective Governments may appoint will also be members of the Conference, it being understood that, except by special permission of the Conference, each discussion will be conducted by not more than two representatives from each Government and that each Government will have only one vote.

That it is desirable to establish a system by which the several Governments represented shall be kept informed during the periods between the Conferences in regard to matters which have been or may be subjects for discussion, by means of a permanent Secretarial staff charged, under the direction of the Secretary of State for the Colonies, with the duty of obtaining information for the use of the Conference, or attending to its Resolutions, and of conducting correspondence on matters relating to its affairs.

That upon matters of importance requiring consultation between two or more Governments, which cannot conveniently be postponed until the next Conference, or involving subjects of a minor character or such as call for detailed consideration, subsidiary conferences should be held between representatives of the Governments concerned specially chosen for the purpose.

There was a prolonged discussion of the proposal to create a General Military Staff for the Empire and, on April 20, Mr. Haldane, Secretary for War, delivered an elaborate speech upon the whole question of Imperial defence and the re-organization of British military forces under the Esher programme. The first part of the new system, he stated, was the home or local defence of each country; then, the striking or expeditionary force for the protection of the outer Empire; and, in front of all, the Fleet. The General Staff should be the brains of the whole military part of the structure and co-operation in detail was desirable as well as in principle. He urged uniformity in War organization, as far as possible, throughout the Empire—in nomenclature, in small arms, in ammunition, in adequate reserves of stores, in giving orders, wherever practicable, for arms and ammunition through the War Office in the interest both of economy and efficiency, in the frequent interchange of officers amongst the countries concerned. Sir F. Borden agreed in the main with Mr. Haldane's conclusions, as did Mr. Deakin and Sir Joseph Ward. All approved warmly of the interchange of officers, while Dr. Jameson and Dr. Smartt would have liked each country to keep a special expeditionary force ready to aid the Imperial troops. Reference was made to the success of the Cadet movement in Canada, Australia and Natal. The following Resolution was unanimously approved:

That this Conference welcomes and cordially approves the exposition of general principles embodied in the statement of the Secretary of State for War, and, without wishing to commit any of the Governments represented, recognizes and affirms the need of developing for the service of the Empire a General Staff selected from the forces of the Empire as a whole, which shall study military science in all its branches, shall collect and disseminate to the various Governments military information and intelligence, shall undertake the preparation of schemes of defence on a common principle, and, without in the least interfering in questions connected with command and administration, shall, at the request of the respective Governments, advise as to the training, education, and war organization of the military forces of the Crown in every part of the Empire.

During this debate on Imperial defence (April 23 and May 8) about which nothing was cabled to Canada except a reference to Mr. Haldane's speech, Dr. T. W. Smartt, of the Cape Government, moved a Resolution as follows: "That this Conference, recognizing the vast importance of the services rendered by the Navy to the defence of the Empire and the protection of its trade, and the paramount importance of continuing to maintain the Navy in the highest possible state of efficiency, considers it to be the duty of the Dominions beyond the Seas to make such contribution towards the upkeep of the Navy as may be determined by their local Legislatures—the contribution to take the form of a grant of money, the establishment of a local Naval defence, or such other services in such manner as may be decided upon after consulta-

tion with the Admiralty, and as would best accord with the varying circumstances." The Hon. L. P. Brodeur intimated that Canada was doing its share in providing for Fisheries' protection, establishing wireless telegraphy, carrying on its hydrographic survey, and taking over the Naval dockyards. Dr. Jameson and Mr. Deakin supported the Resolution, as did practically all the Delegates except Sir Wilfrid Laurier. The Canadian Premier finally said he could not agree to it and supported Mr. Brodeur's general contention. "It is impossible, in my humble opinion," he said, "to have a uniform policy on this matter; the disproportion is too great between the Mother-country and the Colonies. We have too much to do otherwise; in the Mother-country you must remember they have no expenses to incur with regard to public works; whereas in most of the Colonies, certainly in Canada, we have to tax ourselves to the utmost of our resources in the development of our country and we could not contribute, or undertake to do more than we are doing, in that way. For my part, if the motion were pressed to a conclusion, I should have to vote against it." Dr. Smartt argued that these public works were productive, and after a few other interchanges Sir Wilfrid observed: "I have said all I have to say on the subject." A division was not pressed, and the Resolution was dropped.

Upon the Australian and other proposed Resolutions regarding preferential trade there was varied discussion and much press and platform controversy. Conservative papers complained that the reports of Mr. Deakin's eloquent speech in that connection and of addresses by Dr. Jameson and others, as well as the expressions of Government opinion from Lord Elgin and his associates, were intentionally meagre. On April 30 Mr. Deakin led in the fiscal struggle by dwelling at length upon the growing importance of Colonial trade to the United Kingdom. As to the trade of Great Britain which Australia could supply, wholly or in part, there was £213,000,000; of this £10,000,000 was at present supplied by Australia, £40,000,000 by other British possessions, £160,000,000 from Foreign sources. The British threat of fiscal retaliation would, he believed, bring foreign nations to their knees. An extension of the export trade of Australia was absolutely necessary to enable them to bring a larger area under cultivation, with increased population, and to open up markets for produce. Without a preference he doubted if Australia could maintain its present position in British markets. The Commonwealth could not abolish its customs duties, but discrimination was possible whilst preserving the revenue. The tariff was relatively a light one; an increase of present duties was practicable and the free list was also available with an advantage given to British goods which would enable them to replace foreign goods in all the classes which Great Britain was best capable of producing. Sir Joseph Ward, in making a distinction between Preference and Protection, argued that a

duty placed by Great Britain upon dairy produce or upon similar food products from America and Russia would not cause such articles to rise in price, as there would be continuous competition between Canada, Australia and New Zealand in supplying the British market. Mr. Moor, for Natal, and Dr. Jameson, for Cape Colony, endorsed the plea for an all-round Preferential policy. Sir Wilfrid Laurier summed up his position as follows:

> This is a matter altogether in the hands of the British people. I would have no hesitation at all in resenting any attempt made to force upon the Canadian people anything which the Canadian people would not believe in, even for the broad idea of doing good to the whole Empire. I think the best way to serve the whole is by allowing every part to serve and recognize its own immediate interests. It was never intended nor thought at the time that the intermediate (Canadian) tariff could apply to the United States. We have said good-bye to that trade. We have put all our hopes upon British trade now; but there are other nations. France is one, Italy another, with which we could have better trade than at the present time. France has a minimum tariff, and we are prepared to offer our intermediate tariff if they will exchange their minimum tariff with us. But while giving this intermediate preference we maintain a system of still lower tariff to the Mother-country and to all our fellow-British subjects all over the world,

On May 2 Sir James MacKay, on behalf of the India Office, declared that such proposals would be detrimental to the interests of the Indian Empire, upon the ground that Foreign countries sold India £18,000,000 worth of goods and bought from her £66,000,000 worth and that Foreign retaliation was, therefore, a serious danger. Mr. Botha and Sir Robert Bond opposed any action other than a re-affirmation of the 1902 Resolution. The Rt. Hon. H. H. Asquith, Chancellor of the Exchequer, then addressed the Conference at length in opposition to any Preferential policy on the part of the British Government. Free Trade was a great principle of vital national interest to the people of the United Kingdom. "Without fiscal independence, self-government would be worthless. That independence the Colonies had fully received, and they have even used it to build up tariff walls against the Mother-country. If the Colonies thought it their duty to foster industries by protective tariffs their action would not evoke remonstrance or even criticism from him. He noted that various self-governing Colonies gave preference to the Mother-country to compete on equal terms with the local products. Doubtless the Colonies held this to be vital to their interests, and in the same way His Majesty's Government held that Free Trade was vital to the interests of the United Kingdom." While the Home Government could do nothing in this connection it might do much in the improvement of the means of communication, the increase of commercial agents, the reduction of Suez Canal dues, the establishment of mail communication. Mr. Lloyd-George and Mr. Winston Churchill took similar ground in the course of the debate, while Sir William Lyne and Dr. Smartt approved Mr. Deakin's

THE HON. L. A. TASCHEREAU, K.C., M.P.P.

Appointed Minister of Public Works and Labour in Quebec during 1907.

THE HON. CHARLES R. DEVLIN, M.P.P.

Appointed Minister of Lands and Fisheries in Quebec during 1907.

that no country in the world but England could have done such a thing as the granting of a constitution under existing circumstances to the Transvaal. He described this Conference of 1907 as "one of the proudest triumphs in England's marvellous career," and as proving the Empire to be a "living entity." At the great banquet of the 1900 (Unionist) Club in Albert Hall, on April 18, Mr. Balfour presided and spoke with scholarly eloquence upon the Greek and Roman and British Empires. In his ensuing address the Canadian Premier dealt with Preferential trade in these terms:

> They did it (the Canadian tariff preference) because they thought it was a good and sound policy. They did not ask for a return. They did not claim any compensation for it, but at the same time, if it pleased the British people to meet them on that policy, and to grant Preference for Preference (loud and continued cheering) they would meet concession by concession. That offer stood good to-day, and it was for the British people to say whether they would accept it or not. They did not come as suppliants. They did not come to ask the Mother-country to do anything for their benefit. They asked them simply to consider whether such a policy would be in the interests of the British people or not. If they concluded that it was not, Canada wanted none of it. He, like Mr. Balfour, believed in large Empires. It has been said that if the British people did not give a mutual preference Canadians were prepared to desert their policy and seek markets in the United States. There were many things in which Canada's relations with her neighbours could be improved, and upon which they could exchange concession with concession, but whenever it came to competition in their markets between the products of the United States and those of Great Britain, the choice of Canada was made. They stood by the old Motherland.

At the Imperial Industries Club Luncheon on the 19th he spoke of the over-powering hospitality received and again referred to the question of Preference. Within the famed precincts of Westminster Hall, on Apr. 24th, the Premiers were banqueted by Members of both Houses of Parliament. About 1,000 guests were present, including ladies, and the toast of the visitors was proposed by Sir H. Campbell-Bannerman and seconded by Mr. Balfour. The Canadian Premier was the first to respond and confessed that at an earlier period in his life pride in the great traditions around him had bred a hope that he might himself one day have a seat at Westminster. But since then he had come to the conclusion that it was a dream, though a noble one. As to the present: "We shall go back to our own countries more impressed than ever with the sense of Imperial unity coupled with and based upon local autonomy." General Botha followed in a speech eulogizing the British constitution and the Mother of Parliaments. The Lord Chancellor and the Speaker of the Commons also spoke. In the evening of the same day Sir Wilfrid Laurier addressed a Royal Colonial Institute Dinner at which Lord Elgin presided and where other speakers were Sir F. W. Borden, Lord Tweedmouth, Sir R. Bond and Mr. Deakin. He again dwelt upon the lesson of the Transvaal and eulogized the generosity with which it had

been treated. "The British Empire covers men of many races, but its foundations are broad enough to give them all an equal sum of justice and fair play."

On Apr. 26th the Premiers were banqueted by the National Liberal Club, with Lord Carrington in the chair, and a preliminary address of welcome from the British Liberal Leader. Sir Wilfrid Laurier reviewed the history of the empires of old; described the centralizing policy of Rome and its being crushed by its own weight more than by its enemies; approved John Bright's conception of the British Empire as "the living Mother of living nations"; pointed to Europe's greatest expense as being for armaments while that of the new countries of the Empire was for public works; urged as their motto the words "Imperial unity with local liberty and local authority." Sir Joseph Ward urged a speedier steamship service and cheaper cables; Sir Robert Bond dealt with the grievance of Newfoundland and the *modus vivendi;* General Botha described himself as "a British subject, a son and brother of the Empire," and as ready to assist in making its people happy and contented. At a banquet of the Canada Club, on Apr. 30, with Lord Strathcona in the chair, the Duke of Argyll, Sir F. W. Borden, Lord Tweedmouth, Mr. Haldane, Hon. L. P. Brodeur and the Canadian Premier spoke. Sir Wilfrid dealt with emigration, in which respect the Dominion was said to be learning from the mistakes of the United States. Britain and Japan were Canada's neighbours east and west and he hoped to see the Dominion a highway of communication between them. At a banquet of the British Empire League, on May 2, Sir W. Laurier referred to the Imperial Federation idea as a noble one which had been found impracticable. "No common ground could be found to carry out the idea, and it was thought that instead of being a bond of union it might prove to be one of contention. . . . The force of Rome depended upon her legions, the force of the British Empire on the loyalty of her citizens."

On May 8 His Majesty the King gave a State banquet at Buckingham Palace in honour of the nation's guests. The Prince of Wales and Duke of Connaught were present, together with the Colonial Premiers attending the Conference, and the Dukes of Fife and Argyll, Sir H. Campbell-Bannerman, Lord Lansdowne, Sir F. Borden, Sir W. Lyne, Hon. T. Bent, Premier of Victoria, Dr. Smartt, Lord Elgin, Lord Milner, the Earl of Derby, Lord Strathcona, the various Agents-General, Mr. A. J. Balfour, Mr. H. H. Asquith, Sir E. Grey and about 40 others. Sir Wilfrid Laurier and Mr. Deakin were made Hon. Benchers of Grey's Inn on May 11. On the 15th a function at the Baltic Shipping Exchange was notable for stirring references by Dr. Jameson and Mr. Deakin to the Preferential trade offer which, they declared, had been given by the Conference to the Government of the United Kingdom and refused. Sir Wilfrid Laurier at that moment was

visiting Bristol with the other three Premiers and receiving the Freedom of the City and a banquet from the Corporation. On the 9th he had been given similar honours at Manchester. In the evening of May 11th he attended a Gaelic Society concert and on the 13th received a delegation from the Central Emigration Board headed by its Chairman, Sir W. Kinloch-Cooke. There were many other functions—so many and so varied that pleasure became something of a labour. Nothing was too generous or too hospitable to honour the visitors with and only one point of difference arose. It was in connection with the strong stand taken by Messrs. Deakin and Jameson over the Preference policy and their implied criticism of the British Government for declining to accept it. Much was naturally made of this by the Conservative press, and the Liberal papers correspondingly resented it. Mr. Winston Churchill, in a speech on May 19th, at Edinburgh, claimed that the visitors were guests of the Government, alleged that in this matter they had broken the sacred obligations of hospitality, and declared that in a fiscal sense the Government had absolutely banged the door upon all Imperial taxation of food. "Yes; they had banged it, barred it, and bolted it."

To the functions arranged and not already dealt with only the briefest reference can be made. The Prince of Wales' Dinner at Marlborough House; Lord Strathcona's hospitality at historic Knebworth and the Pilgrim's banquet at the Savoy; other Dinners given by the Prime Minister, the Earl Beauchamp, the Duke of Sutherland, Lord Lansdowne, Sir Gilbert Parker, the Earl of Derby and Mr. Winston Churchill; the banquet by the Liberal, Colonial and Palmerston Clubs at Oxford; the Receptions of Lady Glen-Coats, Lady Brassey, the Earl and Countess of Jersey, were amongst the number. In connection with the honour of Privy Councillor which the King bestowed upon all the Premiers who were not already, like Sir Wilfrid Laurier, members of that body, Mr. Deakin declined to accept it, as he did an Hon. LL.D. from the University of Edinburgh. Another incident of the Conference was the cold, critical and not too accurate cable service of the Canadian Associated Press. It helped in forming Canadian opinion as to the alleged failure of the gathering, and on one occasion had to be corrected by Sir Wilfrid Laurier himself. Special reference may be made to its report of April 19th. There was an interesting visit to Portsmouth and a special Naval display for the visitors on May 3rd which the Canadian Premier was unable to attend. After the Conference broke up, it may be added here, Sir Wilfrid and Lady Laurier left for Paris on May 21st and spent some weeks in rest and travel in Italy and Switzerland. On July 1st the Canadian Premier was back in London and one of the speakers at the annual Dominion Day Dinner. Lord Strathcona presided and Messrs. Augustine Birrell, T. P. O'Connor and Donald Macmaster also spoke. Sir Wilfrid dealt with the value

of transportation facilities and made a strong appeal for the "All Red" line project:

> The next step to which we must adapt ourselves and our enterprise is an all-red line between Canada, England, and Australia. This is truly an Imperial scheme. The time must come when it will be said in the city of London, as it was said in the Imperial Conference some few weeks ago —as it would be repeated in Canada, in Australia, and in New Zealand— that the time has come when an all-red line, an all British line, must encircle the earth. For that scheme I am sure the Canadian people are ready, I am sure the people of Australia are ready, and the people of New Zealand are ready; and I ask myself, are the people of England ready also? It is not for me or for any of us to undertake to dictate, or even to suggest, much less to insist, what should be the policy of the British people on a question of this kind. It is for the people of the British Isles to determine for themselves what they will do. But would it be out of place were I to remind the British people that only five years ago the British Parliament undertook heavy financial responsibilities to assist a line plying between Great Britain—not to a British country—and to a foreign country, between Liverpool and New York? I am not here to blame that policy. On the contrary I say without hesitation that, were I an Englishman, I would approve any policy which would make the present relations with the United States closer than they are. But may I not ask the British people and the British Parliament if what has been done for foreigners may not be done also for British people?

Public Opinion and the Results of the Conference

The results growing out of such a gathering as the Conference of 1907 were a good deal apart from public opinion and yet, at the same time, very much dependent upon it. In the first connection they made an addition to precedent, practice and custom which worked greatly for unity; in the second, immediate fruitfulness depended upon local Parliamentary action and, primarily, upon local sentiment. Public opinion as to the Conference and its results were greatly affected in the United Kingdom by political considerations. The Liberal press naturally minimized and, at times, criticized the Preference views of Messrs. Deakin, Jameson, Ward, Smartt and Lyne; these gentlemen felt keenly the importance of their proposals and did not, perhaps, fully realize how large a place free-trade principles held in the heart and policy of Liberalism; Sir Wilfrid Laurier and Mr. Botha, while favouring the principle of preference, supported Lord Elgin in avoiding friction over an issue which was insurmountable at the moment; the Unionist press, therefore, made the most of failure along fiscal lines, while the Liberal press and, no doubt, Lord Elgin himself, showed appreciation of the Laurier position on the Imperial Council proposals by not pressing them forward or supporting Mr. Deakin and the others in advancing along that line.

In Parliament, on May 14, Mr. Austen Chamberlain reviewed a Tariff reform motion and censured the Government vigorously for refusing the Preference demand of the Colonies; in repeated public speeches Mr. Balfour took similar ground, as did Mr. J. Chamberlain in various public letters. On July 1st Mr. Lyttelton

moved a Resolution in the Commons denouncing the Government for having "declined the invitation unanimously proffered by the Prime Ministers of the self-governing Colonies to consider favourably any form of Colonial Preference or any measures for closer commercial union of the Empire on a preferential basis." After a debate shared in by Mr. W. Churchill, Mr. H. Chaplin, Lord R. Cecil, Mr. Lloyd-George and Mr. Balfour, the motion was lost on a party division of 111 to 404.

Opinions amongst the Delegates themselves were greatly influenced by political and Preference conditions. Mr. Deakin told *The Standard,* on May 21, that judging the Conference by its official Resolutions there was no cause for congratulation but that, in general, indirect, and unexpressed results it was very different; Dr. Jameson (May 20) stated that the Preference and Imperial Council were the two great matters for decision and on "neither of them have we got what we expected or what we think we are entitled to, though, on the other hand, the Conference has done a great good in arousing public feeling on the points of vital interest which we have lately discussed, and in this respect I return to Cape Colony with a feeling of assurance and of confidence that in the future the attitude of the Home Government will become less unbending and more calculated to bring about closer relations between the various parts of the Empire"; Sir Robert Bond (May 16) thought that while nothing concrete had been done yet good to the Colonies must result; Mr. Moor (May 18) declared that the Home Government "by the bluntness of its refusal of the Preference proposals" had given cause for complaint; Dr. T. W. Smartt (May 18) expressed great disappointment over the Preference matter; Sir Joseph Ward proclaimed himself (May 17) more impressed than ever with the value of these periodical gatherings; Sir Wilfrid Laurier told the *Daily Chronicle* that he was "perfectly satisfied" with the work and results of the Conference. Great progress had been made and the way prepared for good work in the future. As to the Preference, about which the other Delegates were so disappointed, he felt quite willing to abide by the decision of the British people. His alternative was one of quicker and better means of communication.

The Canadian Premier's general position was approved by Sir Charles Tupper in his important article in the May *Nineteenth Century.* The late Conservative leader did not see any particular advantage in the proposed Imperial Council, as the Colonial Agents-General *plus* the Imperial Conference could do all necessary work. The latter body should, he thought, include in its membership all the members of the Imperial and Colonial Governments while the Offices of the High Commissioners of the future, for not only Canada but for Australia, New Zealand and South Africa, should be made Departments of their respective Colonial Governments. The London *Times,* of April 22, ex-

pressed regret that the Secretariat of the permanent Conference had not been taken from under the direct control of the Colonial Office; declared that full advantage had not been taken of the enthusiasm felt in Great Britain and Australia over the proposed Council; appreciated the importance of making the Conference an "Imperial" gathering with the British Premier as President; and went on as follows: "A glance at the official summary of the debates will go far to show why the Conference has not moved further. The Premiers were not unanimous and the attitude of Sir Wilfrid Laurier supported, as he seems to have been in the main, by General Botha, may be held to justify the Government in not having attempted to do more. Executive powers or anything that might faintly seem to trench on the autonomy of the Imperial States were probably the bugbear of the Premiers in the discussion. It is a very natural position and, within limits, perfectly sound. But the result, and some of the speeches, show that the idea of systematizing the Conference was not completely understood."

Upon one of the constitutional points involved the *Daily News* of April 22 represented Liberal opinion pretty fully: "Mr. Deakin's scheme was that the Secretariat should be under the control of the Premier; but this was not supported by Sir Wilfrid Laurier, and we think, on the whole, that the wisest course has been pursued. The essential fact is that the Secretariat of the Conference is established, that through it the Conference becomes a permanent feature of the Imperial Constitution, and that henceforth we have in existence a clearing-house for home and colonial ideas and for the generation of new developments for the new time." As to the proposal for an Imperial Council the *Spectator* and the *Saturday Review* joined in holding Sir Wilfrid Laurier responsible for its elimination from the discussion. Lord Milner, in his *National Review* article in April, pleaded for something of the kind and believed public opinion in Canada more favourable than the speeches of its leaders would indicate. "But more important than all the rest is the question of the future of the Conference itself. That body is, after all, next to the Crown, the greatest Imperial asset we possess. It is our one really Imperial institution, and it is to its continued existence and heightened efficiency that we must look for the gradual establishment of a real partnership between the self-governing States of the Empire."

A most cautious and really accurate summary of the results was that of the *Standard* on May 21. "At least, the Conference itself is seriously organized for future work, with some guarantee of continuity, an arrangement which must prove valuable, even though the determination to place the Secretariat under the control of the Colonial Office is one which presents serious drawbacks. The adoption of an Imperial General Staff, again, and the scheme of an all-British service to Australia, are beginnings which would

probably not have been made without personal intercourse and discussion." The Colonial Conference Blue-Book was issued on June 4th containing a verbatim Report, or nearly so, of the Proceedings in an enormous volume of 622 pages—compared with 155 pages in 1902 and 19 pages in 1897. To all who want information upon the great issues involved in the maintenance of Empire Unity this volume is invaluable. On Sept. 21st, following, Lord Elgin wrote to the Colonies concerned in the Conference outlining the changes in the Colonial Office which had been promised the Conference and which he had already briefly described in the House of Lords on August 22. After stating that the work of the Colonial Office would be divided along lines of status rather than geography and the self-governing Colonies separated in administrative matters from the Crown Colonies and Dependencies, the Colonial Secretary proceeded as follows:

> The Colonial Office will, therefore, in future, be divided into three branches or departments, one dealing with the self-governing Colonies, a second dealing with the Crown Colonies and Protectorates, and a third—the General Department. The first of these three departments will be known as the Dominions Department, the term being used to differentiate the status of the self-governing provinces of the Empire from that of the Crown Colonies. All the business of every kind connected with the self-governing communities will be included in its scope, though certain matters of general routine must necessarily be shared with the General Department; and the staff of the Dominions Department will, with the exception mentioned above, be in no way concerned with the Crown Colonies. All questions of emigration will be referred to this Department, and it will keep in close touch with the Commercial Intelligence Committee of the Board of Trade. The Secretariat of the Imperial Conference will be linked to this Department, without being entirely merged in it. The Secretary will be a member of the Department, but he will also have his own special and separate duties; and he will have, as occasion requires, direct access to the Secretary of State. I suggest as a matter of convenience and also in order to emphasize his position, that on all matters of routine, arising out of and connected with the Imperial Conference, the Secretary and the Colonial Ministers shall correspond directly with each other, the correspondence in all cases passing under flying seal between the Secretary of State and the Governor-General or Governor.

Under these new arrangements the Permanent Under-Secretary of State was to remain as chief adviser to the Colonial Secretary; the Dominions Department was to have Sir Charles P. Lucas, K.C.M.G., C.B., as Secretary; the Crown Colonies Department was allotted to Mr. R. L. Autrobus, C.B.; that of General and Legal Affairs was put in charge of Mr. H. Bertram Cox, C.B.; while Mr. H. W. Just, C.B., C.M.G., was appointed Permanent Secretary to the Imperial Conference. Lord Elgin concluded his despatch by stating that these changes had been made with a strong desire to promote "efficient and sympathetic treatment" of the manifold Empire questions arising from time to time. In this way and for the first time was a British Liberal Government brought fully into touch with the new Empire, and if the Conference had no

other result than to eliminate the old idea that Imperial Unity was the watchword of only one party in England its work would have been memorable.

Australian opinion of the Conference was varied. Senator Sir J. H. Symon, who visited Canada and England during the summer, expressed the free trade view (August 28) in accusing Mr. Deakin of "entering the lists with Tory reactionaries to fan the flame of protectionism in Great Britain"; the Sydney *Herald* and the Melbourne *Argus,* both free trade in their tendencies, were inclined to credit Mr. Deakin with a personal triumph in the influence of his speeches, but to declare that in his fiscal opinions he did not represent Australia; the Melbourne *Age,* the leading protectionist and preference organ, considered the Conference a failure because it did not realize the Premier's policy; some papers, such as the *Argus,* criticized Mr. Deakin and Sir W. Lyne for not putting in practical form their picture of a united Empire and a common Navy while others protested against any entanglement whatever along Defence lines. The Premier himself was quite frank in his references to the Conference, on his return, and public interest gave him an enthusiastic welcome—at Perth on June 19, at Ballarat and Melbourne on the 25th, at Melbourne again on the 28th under the auspices of the Australian Natives' Association. The meetings were large and enthusiastic; Mr. Deakin's speeches eloquent and elaborate. Upon the much-discussed Naval question Mr. Deakin told the A. N. A. meeting that he had consulted with the Admiralty authorities and experts in England and had a plan of action which they had approved of, but which his colleagues had not yet dealt with. He went on to say, amidst great applause, that Australia had grown to what it was becaues it had rested under the shelter of the British flag. "But a high-spirited people could not be content to sit still under the shelter of any flag without helping in its defence." The following conclusion of this really great speech was important and comprehensive:

> To be brief, as far as he could judge, the Conference had been a triple success. It was a success before the first word was spoken by reason of the extraordinary interest and expectation with which it was awaited and made an event. The Resolutions that had been tabled were put before the public, and they knew the questions which we were going to broach, and something of the countries from which we came, and never before had the British mind been more keenly alive to any gathering of the kind. In the next place it was a success, as would be proved when the public saw the actual results embodied in its Resolutions. Of course they were not those for which they had hoped, but they were those which, for the most part, they had expected. There had been disappointments of more than one of which he did not desire to speak, but which would come before the public more plainly in the reports of the Conference. But there was yet time for more to be done in connection with the Conference and its Resolutions and if the public of the Mother-country were alive, as he believed they were alive, they would take care that those Resolutions did not lie dormant on the public shelves. They

would have to be considered and some of them would have to be acted on. But perhaps the greatest success of all was one from the Conference, and yet outside the Conference, in that every Australian in London rallied to support them in what they were doing, that the representatives from other dominions applauded them and encouraged them to go on, and that the British people, by resolutions and other indications of sympathy, congratulated them and urged them forward. That perhaps was the greatest success of all, when the members of the Conference spoke straight to the people of the Mother-country apart from and above local politics; spoke to them as citizens of the Empire united by many mutual ties and looking forward to one higher destiny.

As to results, Canadian opinion was considerably affected by knowing that the British Liberal Government would not touch the Preference and that the Laurier Government would not support the Council proposal; upon details it was influenced by the sometimes minimizing, sometimes sensational, never sympathetic, reports of the Canadian Associated Press and the usual American Press agency news. The Liberal papers in Canada approved the Premier's attitude; praised the Conference for going slowly; described the Jingoes and Imperialists as having been defeated; rejoiced in the formation of a sort of working alliance between the English and Canadian Liberals and General Botha as representing those of the Transvaal; declared the practical solution of Imperial current problems as far more important than the academic discussion of constitutions and principles. The London *Advertiser* (May 18) declared that "the Conference has helped to emphasize the true strength of unity, and that is a unity with the fullest local liberty." The St. John *Sun* (May 10) described results as follows: "The first direct step in providing common inspiration has been the transformation of the irregular, informal, extra-constitutional Colonial Conference into a definite, permanent Imperial Conference as a recognized feature of Imperial government, to meet every four years, and provided with an official medium for continuous communication in the form of a regularly constituted secretariat." The Edmonton *Bulletin* (April 29) eulogized the settlement of the Conference constitution question as one which conserved local liberty and promoted Imperial unity.

The Conservative press was not a unit in the matter. Some of the papers approved of the Canadian Premier's attitude; others declared that in the direction of unity it did not go nearly far enough. Sir Charles Tupper's view was largely endorsed by the independent-Conservative Toronto *World* which, on Apr. 6 and other dates, described Sir Wilfrid Laurier's position as deserving the highest commendation. The *News* (May 4) denounced the Premier's attitude on Defence: "This country has a fine and growing ocean-borne commerce which, in ourselves, we are powerless to protect. In case of war it would belong to the enemy in a month, without a blow being struck. But within the Empire as we are, we rely absolutely on the British Navy to protect our merchant marine. And we contribute not a cent, nor a vessel, nor

a man to the Navy's maintenance." The Toronto *Mail* (May 16) thought the Conference a fruitless one and described Sir Wilfrid as deliberately killing the schemes for co-operation in defence and tariffs. There was little enthusiasm in the comments of the Conservative press generally as to the Conference and a perhaps natural tendency to look upon the Premier as a drag upon its wheel of progress. As to the French-Canadian papers, *La Presse,* of Montreal, described the Defence proposals of the Imperial Government (supported though they were by nearly all the Colonies) as simply making Canadians "food for cannon." It congratulated Sir Wilfrid Laurier on maintaining Canadian autonomy, on helping to perpetuate the Conference, on his "firm and courteous opposition to the Imperialistic idea." *Le Temps,* of Ottawa, described what it termed "the flail of Imperialism" and declared that Canada wanted no change. "She has won her autonomy, why should she cast herself into political slavery?" It may be added that Mr. J. S. Ewart, K.C., of Ottawa, who was known for his opposition to any and every kind of closer union, contributed to the local press, of July 20, a criticism of the Conference which described its results as being adverse to Imperialism and eulogized Sir W. Laurier's course and policy during its proceedings.

The Canadian Premier arrived home at Quebec on July 19 and passed from his ship through a cheering mass of people to the market square, where he addressed a great meeting of his constituents in what was an almost continuous ovation. The estimate of 20,000 people in the procession, or at this gathering, was probably within the mark. After expressing his pleasure at being home again, Sir Wilfrid dealt with his mission in England. "This Conference," he proceeded, "was undoubtedly an historic event, unique in the world's history, a page of history which has not yet been written. In that old historic city of London, we met as the representatives of the Governments of independent States forming a part of the British Empire, united to discuss matters of mutual interest. Such a spectacle has never been witnessed before. First amongst these States was Canada, the ancient French colony, while the latest was that old Dutch colony which not five years ago was at war with Great Britain, whose representative was her most illustrious general, who took up arms against the Empire and to-day was working as a British subject for the full rights of the citizens of the Empire." The gathering had not been without its dangers, he said, and his first duty had been to "fix its character as a Conference between Governments and Governments," with the representatives on terms of perfect equality. He defended his attitude upon the Preference, said nothing as to Imperial defence, and then discussed the All-Red line proposals: "During the last days of the Conference I announced a new idea which has become almost history—the All-Red line. This means that the different parts of the Empire wish

to share the advantages Providence has given them, in which Canada plays no small part. We occupy a position as the gateway between Europe and the Orient. My proposition, which was adopted by the Conference, was the establishment at once of fast boats on the Atlantic and the Pacific, which would bring the East and West of the Empire into close connection through Canada."

Other speakers were Messrs. Aylesworth, Lemieux, Paterson and Bureau, of the Dominion Government, and Hon. Adelard Turgeon, of Quebec. Passing the next day on a Government steamer from the ancient capital, up to Montreal, the Premier was followed by a procession of decorated vessels and received with decorations, fireworks, salutes and cheers from the shores, while formal addresses and receptions were tendered at Three Rivers and Sorel. At Montreal the citizens in the streets, the Civic authorities, the Board of Trade, La Chambre de Commerce and the Reform Club joined in both a formal and an enthusiastic welcome. The last-mentioned body in its address stated that: "By declaring our earnest and steadfast desire to maintain the unity of the Empire while respecting the local autonomy of the Colonies, you faithfully interpreted our national views." In his brief speech at the City Hall, Sir Wilfrid said: "I can tell you, gentlemen, that the All-Red line will one day be an accomplished fact." A similar greeting was given the Prime Minister at Ottawa on July 22nd, including decorations, crowded streets, enthusiastic cheers, and a Civic address.

The All-Red Line Steamship Project

An important incident of the Conference was the proposal by Sir Wilfrid Laurier to establish a fast all-British steamship line on the Atlantic and Pacific Oceans under the subsidized control of the Governments concerned—Great Britain, Canada, Australia and New Zealand. The idea was not, of course, a new one. In a sense it already existed under the auspices of the Canadian Pacific Railway; the Atlantic part of it was an official child of the Tupper Government. The Royal Transportation Commission of 1906 had urged the establishment of a fast Atlantic Line; a project was already pending to run a line of steamers under joint private and Government auspices from Blacksod Bay, on the west coast of Ireland, to Halifax—with an average speed of 25 knots an hour and doing the trip in 3 and one-half days; in Newfoundland a scheme was pending, from February, 1907, for a line between Killary, on the west coast of Ireland, and Green Bay, Newfoundland. The Blacksod project included ferries between the coasts of Ireland and Scotland and England; the construction of some small railways in Ireland and the expenditure of about £250,000 for dock and quay facilities at Blacksod Bay; with a total estimated cost of £6,470,000, or $32,350,000, for a fast service, twice a week, of five steamers costing $4,000,000 each. It was officially stated in January, 1907, that Messrs. Chaplin, Milne and Grenfell, the

Linton-Clark Company, Vickers Son & Maxim, and Swan and Hunter, were amongst the supporters of the enterprise, and, on Jan. 12, Mr. R. Bickerdike, M.P., of Montreal, announced that he had become Canadian representative of the Syndicate and that the Dominion Government would be asked for $1,000,000 a year subsidy.

On Jan. 17th Mr. Bickerdike presented the proposal formally to the Government and was assured of careful consideration. Another promoter of the project was Sir Thomas Trowbridge, who told the British House of Commons Committee, on May 5, that if a yearly subsidy of $1,500,000 each was given for ten years by the British and Canadian Governments, and the Bill passed as to the necessary railways in Ireland, he and his colleagues were prepared to raise the whole of the $25,000,000 capital required. Canadian opinion at this period was nebulous except where it was actively hostile. The latter view was expressed by Sir T. G. Shaughnessy, of the C.P.R., and Sir H. M. Allan, of the Allan Line. Lord Strathcona had warmly supported the general idea for years and, on Jan. 18, without committing himself to any specific project, he told the Montreal *Witness* that: "The time is ripe for a fast steamship service between Canada and Great Britain. Such a service would be not only of great advantage to Canada, and the best possible advertisement that the country could have, but I am convinced that it would prove a commercial success to the Company which provided it. What we want and what we must have is an Atlantic service equal in every particular to any line of steamships running to New York—equal, in fact, in point of speed, accommodation, comfort and safety to the two new liners which the Cunard Line Company is building under what is practically a subsidy from the British Government. It is imperative that such a line of steamships should not run up the Gulf. They must have the best possible port that can be got on the east coast of Canada—and Halifax is presumably the best. With a speed of 25 knots that would give a four days' ocean voyage between Great Britain and Canada."

On May 10 a deputation of those interested in the Blacksod Bay scheme, including Lord Avonmore and the Earl of Arran, waited on Sir Wilfrid Laurier in London and were told that it was the policy of the Canadian Government to grant subsidies for the purpose of encouraging a fast service. Meantime, in the Conference, Sir Joseph Ward had advocated a speedier steamship service on Apr. 26, and on May 2 Sir Wilfrid Laurier had suggested that an Imperial subsidy to such a scheme would be a sort of set-off to the Preference decision and policy of the Government. During the next few days it was said that the project was simmering in many minds; Lord Strathcona and Mr. Clifford Sifton, M.P., who was in London, being reported as the most vigorous advocates of a definite policy. On May 14 the motion of the Canadian

Premier, which has been elsewhere recorded, was passed by the Conference and the project launched as of Empire character and import. The proposal was for a 24-knot Atlantic service and an 18-knot Pacific service, and it was understood that the Canadian Premier would go as high as $1,000,000 in subsidy; that New Zealand would give $500,000; while Mr. Deakin was non-committal as to the amount, although both he and Sir W. Lyne were strong supporters of the idea. The attitude of the Imperial Government was non-committal at first, and as time went on it was pretty well understood that there was a division of opinion in the Cabinet as to the advisability and feasibility of the project. Mr. Sifton, on his return to Ottawa, gave *The Globe* correspondent on May 30 a history of the undertaking:

> The question of an improved Atlantic service has been engaging the special attention of Lord Strathcona for several years, and shortly after I arrived in London, whither I went on private business, he invited me to co-operate with him in bringing the matter before the Government. I at once agreed to do so, regarding the subject as one of the greatest importance to Canada. A considerable amount of work had been done in connection with the scheme before Sir Wilfrid arrived in London, and he at once took it up with the members of the British Government and the other members of the Conference. A resolution was passed by the Imperial Conference which, no doubt, has been cabled to the Canadian press, but the resolution itself does not go into details. The scheme presented by Sir Wilfrid to the British Government and to the Conference embraced the idea of a 24-knot or 25-knot service from a British port to a Canadian port, a service to be given by vessels equal in equipment to any at present in existence. The project further involves an improvement of the railway service in Canada to such an extent as may be necessary to make the shortest possible time across the continent from port to port. It further contemplates the improvement of the existing service on the Pacific by the establishment of an 18-knot service from Vancouver to Australia and New Zealand and a similarly fast service from Vancouver to Japan and China. The service from Vancouver to Japan and China is at present one of about 13 knots, and it is contemplated to make a very substantial difference in time.

He believed the British Government to be favourable; Sir Wilfrid Laurier was described as hopeful; and Lord Strathcona was stated to have the immediate financial supervision of the scheme. Meantime a British Government Committee, said to be composed of Messrs. Lloyd-George, Sydney Buxton, Walter Runciman and Winston Churchill, had the matter under consideration for months; a chief opponent of the project was Mr. Harold Cox, M.P., Secretary of the Cobden Club, and it had the opposition of a large Radical and Labour element, with, also, the antagonism of Sir T. Sutherland and the great steamship interests of the moment. Speaking at the Dominion Day banquet Mr. Augustine Birrell, Irish Secretary, made a vigorous appeal for consideration of the Blacksod scheme so as to bring Ireland into the field of Empire development. Following an appeal from Sir Wilfrid Laurier at the Dominion Day Dinner, to the British Government, to at least

give the Empire what it was giving New York in its subsidy to the Cunard Line, it was pointed out in the British press that that subsidy was originally given to prevent the Cunarders from passing under a Foreign flag; while other newspapers pointed out that Sir Charles Tupper in 1896 had obtained the promise of a joint British subvention for the fast line project of that period.

To the London press, on July 1st, Lord Strathcona said: "In this enterprise there is no question of preference in the usual acceptance of the term. It will be no one-sided project, but will prove mutually beneficial to the Colonies and to the Mother-country. It will bring Britain into closer alliance with the Colonies, make them nearer neighbours and better known to each other and, therefore, warmer friends. To go from London to the Pacific in eight days would have been looked upon as a dream ten years ago. By accelerating the speed on sea and land as suggested it can now be realised. This scheme will make Halifax, which has one of the finest harbours in the world, the chief port of entry for express services between the Old World and the North American continent. This will be good for Canada and of the greatest possible advantage to the Mother-country." It was generally supposed and stated that the High Commissioner's subsequent visit to Canada and his consultations with the Dominion Government were upon this subject, and in the Montreal *Star,* of Aug. 2nd, he pointed to the increased investment of capital in Canada as one result of the policy. As to the project itself it was a mere matter of cost, but it was a thing "worth spending money to accomplish."

On Aug. 11 it was semi-officially announced by *The Globe* that Canada was prepared to contribute one-half of the $2,500,000 subvention asked for by the capitalists interested in the project as then evolved; leaving Great Britain and Australasia to put up the balance. Rumours were plentiful during the summer as to alleged Australian disapproval of the policy, and it became ultimately assured that the Commonwealth was committed to a renewal of her steamship contract *via* the Suez Canal; Mr. R. W. Perks, M.P., told the Montreal press on Aug. 17th that in England the policy was supported by Mr. Asquith, Chancellor of the Exchequer, and opposed by Mr. John Burns; Lord Elgin and Mr. Lloyd-George were already known to be favourable and the London *Daily Chronicle* proved a warm advocate of the scheme; the majestic sweep of the new *Lusitania** (costing over $6,000,000), across the Atlantic, made the proposed competition with the Cunard Line still more expensive; Mr. Clifford Sifton returned to England after his visit to Ottawa and was understood to be devoting himself to the successful development of the scheme—laying special stress at a banquet given him in London, on Dec.

* NOTE—Record Atlantic passage of 4 days, 19 hours and 52 minutes from Queenstown, and reaching New York on Oct. 11.

3rd, upon the Imperial value of such a line in the transport of troops and the matter of British food supply in time of war; Sir J. C. R. Colomb, a well-known Imperialist, declared in *The Times,* on Dec. 25th, that until the Colonies helped in the naval defence-burdens of the Empire, Great Britain should not supply money merely to "multiply their sea-routes and facilitate the operations of their commerce." At the close of the year it was stated that Australia had renewed its contract with a freight and passenger line to England, *via* the Suez Canal, and providing a speed of 17 knots, with improved freight and storage facilities.

Meanwhile, Sir Wilfrid Laurier assured the Canadian Manufacturers Association, on Sept. 26, that there were obstacles in the way. "Difficulties we have had; but difficulties we shall overcome. This project shall and will succeed." On Aug. 21st the Maritime Boards of Trade Convention passed a Resolution endorsing the All-Red line but asking for a freight service in addition to the "fast high-class mail and passenger services," which it described as of immense political and material advantage to Canada and the Empire. There was, of course, Conservative opposition to the proposals. The absence of ocean-freight carrying capacity on such a service; the demand of the West for a cold-storage service and better transportation generally for farm products; a question as to the Line paying in any case after the spectacular success of the Cunarders; these were the chief arguments advanced. Mr. R. L. Borden claimed in a Winnipeg press interview, on Sept. 18, that there was really nothing definite before the country, and that 75 per cent. of Canadians were more interested in cheaper freight service than in a faster passenger line.

The Blacksod scheme promoters carried on an active propaganda during the latter part of the year. They enlarged their plan so as to cover a fast service *via* Canada to Australia and New Zealand and for this purpose formed an alliance with the Union Steamship Company, whose Chairman, Sir James Mills, proceeded to those countries on behalf of the project; and appointed a delegation composed of Sir Thomas Trowbridge, Mr. Ambrose, M.P., Bishop Clancy, of Sligo, and C. N. Armstrong, to visit Canada and discuss the matter with its Government. They now claimed that while the trip from Liverpool to New York, at the best, took 5 days or over, the route from Blacksod Bay to Halifax would save 916 miles and take only 3½ days; would save 1,500 or 2,000 tons of coal at $5.00 a ton; would mean a four million dollar ship instead of one costing seven millions; would require three ships instead of five. It was said that this project meant, in fact, the supremacy of Canada in the Atlantic steamship business. The delegation waited upon the Canadian Premier at Ottawa on Dec. 7th and were told that the matter now largely rested with the British Government. At the Canadian Club, Montreal, on Dec. 10, Bishop Clancy made an eloquent plea to

give Ireland a place in these Imperial projects; while Sir T. Trowbridge told the Montreal *Herald,* on the 17th, that no British Government would consider the scheme for an instant unless the Pacific was included as well as the Atlantic. He estimated the total subvention required at $3,750,000, of which Canada's share would be $1,500,000. The London *Times,* of Dec. 19, concluded that the project would cost $4,000,000 per annum, and that of this Great Britain would have to pay nearly one-half. Moreover, the four ships required would cost about $30,000,000 to build, and for this sum, no doubt, British credit would be utilized.

Questions of Empire Defence and Preferential Tariff

Figures published during 1907 showed the total first cost of the ships in the British Navy as £133,556,679, or $667,000,000 in round numbers. Of this sum $390,000,000 had been spent in the past ten years. The average cost of the twelve armoured vessels completed in 1905-6 was $6,000,000 each. This expenditure of nearly 40 millions a year was a part of 165 millions which it cost to maintain Britain's sea-line of defence in 1905-6 and to which the outside self-governing parts of the Empire contributed $1,920,000. The general subject of Imperial Defence was discussed in the British House of Commons, on Feb. 15, when Mr. Balfour, the Conservative Leader, intimated that he did not anticipate Colonial contributions to the Royal Navy, or any hard and fast arrangement; he did not believe any money value could be placed on what Great Britain gladly did for the Colonies, and he did not wish to attempt it; the loose organization of the Empire carried with it great advantages and some disadvantages. "One of the disadvantages is that in case of Imperial danger, in case of conflict between the Empire and other great nations, we should, no doubt, as far as our Colonies are concerned, have to rely upon their voluntary assistance. I think, nay, I am quite sure, we had better rely upon the voluntary assistance than attempt to give it that rigid and involuntary character which, of course, every military and every naval authority would like, and legitimately like, because it enables them to count upon certain forces." Mr. Winston Churchill agreed with this view and Sir Gilbert Parker dissented from it. "There was no constitutional right to demand contributions for the Navy, but there was a moral obligation resting on the Colonies," which he believed they would some day recognize. In the House of Lords, on July 31, Lord Tweedmouth, First Lord of the Admiralty, stated that: "Our great navy must defend our Colonies as well as ourselves; at the same time, a great deal could be done by the Colonies to help us and to help themselves. This was the basis on which he had endeavoured to discuss the subject with the Colonial Premiers." He then went on to indicate the Colonial view—apart from Canada, which assumed an entirely negative attitude except in the matter of taking over Halifax and Esquimalt:

The Australians, by the mouth of Mr. Deakin, put forward very strongly their desire for the establishment of something in the nature of an Australian fleet. The Admiralty raised no objection to that. They only pointed out that they thought to start with the best defence they could have was to establish a flotilla of destroyers and submarines. That would form a very substantial defence against any casual raid, and in the event of war a flotilla of well-manned destroyers and submarines would be of the greatest possible assistance to a British fleet which had to operate in those waters. That was a plan which involved the assent of the Colonial Parliament and of the Imperial Parliament. He thought the various discussions they had had brought them nearer to agreement, and before long he hoped an agreement would be arrived at. As to New Zealand, it had preferred to adhere to a subsidy. Since the Conference he had heard the New Zealand people were trying to raise their subsidy from £40,000 to £100,000. South Africa was inclined to increase the number of its Naval volunteers and to include their training.

The Canadian official view was that home development and increased transportation facilities constituted the best contribution Canada could give at present; and in this opinion Sir C. Tupper shared, while Mr. R. L. Borden was non-committal. The Navy League held a different view, but in Toronto its expressions were mild and ineffective, though at Victoria, B.C., under the leadership of Mr. Clive Phillipps-Wolley, the poet, Imperialist and politician, they were more aggressive. On May 14, in response to an eloquent address delivered by the latter in that city, the following Resolution was enthusiastically passed: "That it is the duty of the Navy League and of every patriotic Canadian, independent of party, to press in every way for a substantial contribution to that Imperial Navy upon which the very existence of Canada as a portion of the Empire depends, and that this meeting believes that a plebiscite of the people of Canada (independent of party) would support this Resolution." At a further meeting, on Oct. 30, a Resolution demanded a Canadian grant of money to the Imperial Government, or the gradual creation of a subsidiary Navy. Mr. Justice Russell, of Nova Scotia, in addressing the Canadian Club, Halifax, on May 16, declared himself in favour of the assumption of national responsibilities and of Canadian aid to the Imperial Navy and Army. Mr. F. E. Hodgins, K.C., speaking at Hamilton, on Dec. 6, thought that Canada should at once commence building submarines and torpedo boats and, in due course, cruisers of her own.

Mr. Brodeur, Minister of Marine and Fisheries, addressing the Empire Club in Toronto on Nov. 14, described Canada as already doing something: "Since 1886 the Dominion had undertaken the responsibility previously borne by the British Government of protecting the coast and lake fisheries, and had spent over three million dollars in that connection, while they were also carrying out the hydrographic survey formerly undertaken by the British Admiralty, establishing wireless telegraph stations, and assuming the expense and responsibility of maintaining Halifax and Esquimalt dockyards." These, he claimed, were material

contributions to the cost of Imperial defence and during the recent Conference had been so recognized by the First Lord of the Admiralty. As to the Canadian press there was a growing expression of opinion in 1907 regarding Canada's duty in this respect. The Hamilton *Spectator* of Feb. 12; the Woodstock *Express* of Feb. 14; the Halifax *Herald* of Feb. 6; the Charlottetown *Guardian* of Apr. 22; the Montreal *Star* of various dates; the Winnipeg *Telegram* of Aug. 3; the Victoria *Colonist* of Nov. 1; declared in more or less set terms for co-operation in Naval defence. These papers were all of Conservative leanings, but *La Presse,* of Montreal, urged, on Apr. 26, the early construction of a purely Canadian fleet, while the Hamilton *Herald* of July 13 protested vigorously against the "impudent and mean-spirited position in which Canada is placed by publicists such as Professor Shortt in opposing contribution to the Empire and assuming that the Monroe Doctrine would be sufficient protection." The view of many Liberals was voiced by the Toronto *Globe* of Aug. 3:

> The Dominion is eminently qualified for contributing to and strengthening this part of the Empire's machinery of defence, and we are taking full advantage of our capacity and doing our part in accordance with it. The economic base of supplies is always the first point of weakness, and we are better equipped for strengthening it than for directly contributing to military and Naval strength. We are adding Province after Province to the Empire. This is drawing quite as heavily on our productive industry as would be the building of battleships or the maintenance of armed forces. We are extending railways into new territory, and bringing vast areas under productive cultivation. We are making military highways across the continent, and, what is more important, are providing the transportation facilities essential to the development of a granary for the nation. We are strengthening the economic base of supplies.

In Australia there was much discussion during the year as to the existing policy of contributing $1,000,000 per annum to the Imperial fleet, but no change was made in the arrangement. Speaking at Melbourne, on Feb. 14, Mr. W. H. Irvine, M.P., ex-Premier of Victoria, said: "The first thing they had to recognize in this question was that not only our first line of defence, but practically our only national bulwark at all, lay in the continued and complete supremacy of the British Navy. This year's estimate of Naval construction by Great Britain amounted to £33,000,000. This, on a population basis, meant that the people of the United Kingdom had to bear 15s. 6d. or 16s. per head. In Australia we expended altogether £250,000, by which it was suggested that we did our portion of our duty to the Empire, the proportion per head being about 1s. 3d." The general situation in the Commonwealth was one of popular agreement upon certain points—that Australian security from the attack of an invading army depended on British sea supremacy; that such sea supremacy could only be gained and held by action along true principles of sea strategy

—concentration of force on the enemy's fleets; that the sea capacity of the individual Australian, as manifest in the Australian mercantile marine and in the Australians enrolled in the Imperial Fleet, was good; that a sea-war must be carried out under one authority directing the whole and controlling the several parts, however distant from one another. Upon the further point of an Australian Naval force of ships and men effectively supplementing the Imperial Navy, giving reasonable local security against commerce-raiding, and being easily available for service elsewhere, there was a divergency of opinion locally and also with the British Naval authorities.

The principle of Canada's Preferential tariff had almost ceased to be a matter of discussion in 1907; its application and efficiency were, however, still debated. British exports to Canada (Board of Trade Returns) increased from £7,450,820 in the calendar year 1906, to £9,172,623 in 1907—the chief increases being in pig-iron, wire, ships and plates, cotton piece goods, apparel, earthen and china-ware. In 1897 (year ending June 30), when the Preference began, British exports to Canada totalled $29,000,000; in 1906 they were $69,000,000. On the other hand United States exports to Canada increased from $79,000,000 in 1898 to $176,000,000 in 1906. Aside from totals, however, which do not discriminate by showing the raw materials for manufacture imported from the States, the British Tariff (Chamberlain) Commission had this to say early in 1907: "Although the benefits of Preference are by no means evenly distributed over the various industries, and in some cases manufacturers have only been recently able to take advantage of their improved position in the Canadian market, while in others United States competition under the present tariff classification has nullified the advantages given, yet nearly all branches of British trade with Canada have gained under Preference in a greater or less degrec." In the large volume of evidence published by this Commission many leading manufacturing firms testified as to the benefit of the discrimination in their trade with Canada.

In Mr. Fielding's Tariff changes of 1907 it would appear that the Preference was increased as a whole on iron and steel manufactures, glass and glass-ware, earthenware and china-ware, silk and paper manufactures; and decreased on cottons and woollens, flax, hemp and jute manufactures, drugs, dyes and chemicals and on leather goods. According to the British Tariff Commission analysis out of $28,920,000, or 66 per cent. of the total export of the United Kingdom to Canada in dutiable goods, the Preference was increased on $8,063,000, or 28 per cent., and diminished on $20,857,000, or 72 per cent.—with a further considerable decrease should Mr. Fielding's Intermediate Tariff come into operation. The German Surtax was described by the same body as benefiting British trade, as did the anti-dumping clause owing

to its application chiefly to United States goods. Another report, issued in March, of this Commission reviewed the British schemes for a Preference to the Colonies as falling roughly into four classes: (1) Preference on the basis of existing duties; (2) Preference on the basis of the corn duties of Sir Michael Hicks-Beach's Budget of 1902, combined with the existing duties; (3) Preference on the duties on agricultural imports suggested in the report of the Agricultural Committee of the Tariff Commission, combined with the existing duties; (4) Preference on duties which might be included in a British general tariff in accordance with Mr. Chamberlain's proposals. The following table showed the percentage of the total imports from each self-governing Colony, each Crown Colony, and India, which would be affected by the adoption of each of the four Preferential schemes outlined above:

Country.	I.	II.	III.	IV.
Canada	0·9	18·0	73·0	77·0
Australia	0·5	16·5	33·0	45·0
New Zealand	..	1·7	41·0	41·0
British South Africa	0·4	0·4	0.5	9·9
Newfoundland	0·4	0·4	0·4	2·3
British India	16·4	46·0	53·0	68·0
Ceylon	75·0	75·0	80·0	83·0
Straits Settlements	4·2	10·1	15·0	88·0
British West Indies	62·0	64·0	86·0	89·0
British Guiana	76·0	76·0	81·0	82·0
Mauritius, etc	62·0	62·0	62·0	65·0
Other Crown Colonies	4·7	5·5	21·0	22·0

In July a manifesto was issued by 22 members of the British Parliament (and of the Trades Union section of the Labour Party) denouncing the "threats and selfishness" of the Colonial Premiers in asking for the abandonment of free-trade and the cheap loaf for the poor man. A reply was at once issued signed by officials of the Papermakers, Engineers, Carters, Typographical machinists, and other Trades-Unions, repudiating the Manifesto and endorsing Mr. Chamberlain as well as the arguments of the Colonial Ministers. Speaking in the Commons, on Feb. 20, Mr. Lloyd-George quoted the utterance of Mr. Fisher, Canadian Minister of Agriculture, as to the farmers of the Dominion not wanting a British Preference, and declared that he represented the majority of the people of Canada in making that statement. The speaker then went on to say: "I am not one of those who say that the Canadian Preference has not been a great advantage to this country as well as to Canada. But it has been a greater advantage to Canada than it has been to us. Our exports to Canada have gone up from 6 to 12 millions in round numbers since we got the Preference, but their exports to us have gone up from 13 to 26 millions as the result of the Preference. Why? It is the natural result of freedom of trade, and if they got rid of the duties alto-

gether I have no doubt the business between the two countries would increase still more."

On July 15, by 440 to 111, the British House of Commons voted down Mr. Lyttelton's censure of the Government for not meeting the Colonial Premiers upon the Preference question, and approved an amendment declaring that permanent unity could not be obtained by the protective taxation of food. Speaking at Grahamstown, on Nov. 7, Dr. Jameson, Premier of Cape Colony, declared that a future British Preference was a certainty and that, meanwhile, the South African Colonies would maintain their own Preferential policy. Addressing a great meeting at Birmingham, on Nov. 14, Mr. Balfour came out clearly for a Preferential policy, in full harmony with Mr. Chamberlain's conception, and nailed that flag to his party mast-head. He endorsed heartily the terms of a Resolution passed unanimously that afternoon by the National Union of Conservative Associations which approached the question along the lines of (1) broadening the basis of taxation; (2) safeguarding the greater productive industries from unfair competition; (3) strengthening the position of Britain for the purposes of negotiation in foreign markets; and (4) establishing preferential commercial arrangements with the Colonies and securing for British producers and workmen further advantages over foreign competitors in Colonial markets. In this connection a number of speeches were made during the year by Mr. Donald Macmaster, K.C., late of Montreal, and Tariff Reform candidate for Woking.

Appeals to the Privy Council and the Embargo Question

The question of appeals from Canadian Courts to the Judicial Committee of the King's Privy Council in Great Britain was not only discussed during the year at the Conference, but it was a subject of some local controversy in Canada. Canadians are not exactly cheerful losers and, whenever the Mother-country or a British home institution is involved one or other party to a public dispute in Canada is sure to cry out. Until this year the only complaints heard against the Judicial Committee were in the mild form of criticism regarding the cost of appeals or as to traditionary customs which did not seem sufficiently up-to-date. All parties agreed that the Tribunal was learned, upright, capable and impartial; it remained for the year 1907 to discover from the Toronto press that it was out of touch with Canadian conditions and alien to the principles of local justice! In the controversy and litigation between the Toronto Street Railway and the City of Toronto an important point involved was the question as to whether the City or the Company, under specific charters and agreements, controlled the stopping of cars, the extension of the service, the building of lines in new parts of the City, and the operation of the road in certain other vital particulars.

A long-standing dispute, it came before the Ontario High Court in December, 1904, and Mr. Justice Anglin decided in favour of the City on all but one point; in November, 1905, the Court of Appeal confirmed this judgment and gave the remaining point to the City; in May, 1906, the Supreme Court of Canada confirmed part of the decision but rejected other portions; on Apr. 26, 1907, the Judicial Committee gave judgment against the City on practically all points. Instead of interpreting the original agreements along legal lines it was at once popularly assumed that the Judicial Committee should have rendered justice outside of and apart from the agreements—a position which it is safe to say no Court could possibly take. The Toronto *News* declared that "at one stroke the City of Toronto has been robbed of its principal rights under the Street Railway Contract"; *The Globe* proclaimed the interesting fact that "in the opinion of the Privy Council the Street Railway exists wholly for the Company and not at all for the community which leased to it the franchise of its streets"; the *World* wanted to know why the construction of a contract between a Canadian City and a Canadian Company should be "subjected to the judgment of an English Court"; the *Christian Guardian* declared that "Canadian justice ought to be good enough for our citizens, and we believe that the time is not far distant when Canadian Courts will be the sole exponents of Canadian law." "England has failed us again," said many citizens, while Mr. J. J. Ward, a member of the Board of Control, observed to *The Globe:* "I never expected anything better from those law lords. After the way Alverstone gave away Canada's rights, I did not look for anything to come our way from them!"

Such was the position taken by nearly all the Toronto papers and by the public opinion of the moment. Legal views were somewhat different, and a leading lawyer for the Street Railway put this point to the *World:* "We went there because the newspapers are so powerful here and created such a sentiment that even the Supreme Court was affected by it. We knew we could not get an absolutely fair decision until we got out of the Canadian Courts entirely." Mr. James Bicknell, K.C., declared that decisions of the Privy Council had usually been satisfactory to the profession. Mr. A. B. Morine, K.C., said that in such cases there was "little likelihood that any local laws which should affect the decision are disregarded in the Privy Council and, on the other hand, that great Court is free from any suspicion of local feeling, and its judgments are received almost universally as sound law." It was not, of course, a question of what the law should be but what it was. The Toronto *Telegram* differed from the other papers in strongly supporting the necessity and desirability of such a Court and such an appeal as the Judicial Committee afforded. Some of the criticisms assumed the form of cartoons representing justice

as blind, or befogged, or bewildered, and garbed in the robes of a British judge; or else as an umpire looking across the ocean through a telescope and stating that though he couldn't see very well he always gave a decision.*

The Toronto *Star* of May 4 described the Judicial Committee as an "engine of oppression," and joined the *World* in demanding abolition of the right of appeal in all such cases. No one criticized the local lawyers who drew up the original contract or the Municipal Council which accepted it. As against the charge that appeal to this Tribunal frequently piled up costs without being serviceable to the public, it was pointed out that over and over again the right to appeal was refused and that good reasons in law or equity had to be adduced. The Winnipeg *Telegram* gave as a reason for preserving this right intact the fact that Canadian Courts were too subject to partisan appointments, while the Montreal *Star* (May 7) expressed the following opinion:

> The appeal to the Privy Council might very possibly be more limited than it is. We do take cases there which should be finally settled on this side of the ocean. Wealthy corporations do take advantage of the expense of carrying appeals to London to frighten off the poor claimants. These are evils which might well receive the attention of Parliament. But there is no doubt that the power to appeal constitutional questions to a distant and impartial tribunal has been a good thing for this country. We have had, for instance, several delicate race and religious disputes which we would never have left with entire contentment to the final disposal of any local tribunal. What the appeal to the Privy Council wants is the pruning knife—not the guillotine. It is possible that there may be other classes of cases as well where there is now too much latitude in the matter of appeal to our own higher Courts; but these are questions to be taken upon their individual merits and decided on the principle of the highest average good.

Many other decisions were given during the year, but none appear to have been received as was the Toronto judgment. The case of the Esquimalt Waterworks Company against the City of Victoria went in favour of the Company; the Toronto crossings case, involving the Railways and the City of Toronto, resulted in a decision that in certain occasions of Dominion and Provincial laws over-lapping the former must prevail; appeal was refused in the case of A. E. Ames and Co. against James Conmee, M.P., and the Supreme Court judgment therefore stood; in the case of McCormick against the Esquimalt and Nanaimo Railway, involving certain settlers' rights and pressed by the Provincial authorities of British Columbia, judgment against the Railway was given. An interesting case in connection with property rights in a religious dispute between two sections of the Russian Church, at a small settlement near Edmonton, came before the Privy Council after long litigation, and the decision was declared locally to be a victory for freedom of conscience and liberty of worship in the West.

* Note—Toronto *News*, April 29, and the *World*, May 3.

The members of the Judicial Committee hearing most of these and other cases were Lord Robertson, Lord Collins, Sir Arthur Wilson, Sir Elzear Taschereau and Sir Alfred Wills. It might be added that on Nov. 26 Mr. W. J. Bowser, Attorney-General of British Columbia, announced that the Province would ask permission to appeal against a recent decision of Mr. Justice Clement, and that early in the year (Jan. 5) the Judicial Committee, through its Registrar, advised those concerned that in future the records printed for Canadian Courts would be accepted as records in cases of appeal—if the Canadian Courts would adopt certain customary forms of printing.

The constantly-recurring question of the British Cattle embargo came in for the usual discussion during the year. A curious point in the affair and in the occasional attacks by politicians or press upon Great Britain was the fact of this exclusion of live cattle from British markets being applicable to Australia, the United States, and many other Colonies and countries as well as Canada, receiving so little mention. So far as the Canadian public generally was concerned or informed its cattle might have been excluded as a special act of discrimination against Canada or as a sneaking way of protecting British cattle against Canadian competition. Sir Wilfrid Laurier brought the subject before the Colonial Conference and contended that there was no justification for this exclusion of Canadian cattle. The Toronto *Globe* went a little further, on May 9th, and stated that " Sir Wilfrid Laurier might have contended also, if he did not, that this embargo is peculiarly unfair when imposed for protective purposes on cattle from a country that has ventured to give the Mother-country a very important preference in its markets." The subject was discussed in the British House of Commons, on May 23, when Sir E. Strachey, of the Board of Agriculture, said that he could hold out no present hope of a removal of the embargo. On Apr. 6 Mr. W. H. Long moved an amendment to the Small Land-holders (Scotland) Act re-affirming the necessity of the Diseases of Animals Act; and declaring that no matter how healthy Canadian cattle might be the Dominion's long United States border made disease possible and restrictions essential. The Secretary of State for Scotland pointed out that this question was governed by a statute and that the amendment was, therefore, unnecessary. It was rejected by 176 votes to 120. On Oct. 23 the *Farmer's Advocate,* of Winnipeg, had a severe criticism of the British agricultural and aristocratic interests as being combined in an effort to " protect " their live-stock in this way; as a consequence of being unable to get fiscal protection in the ordinary way. A correspondent on Nov. 6 explained the situation as follows:

> For some time prior to the passing of the Act restricting the movement of imported cattle the herds of Great Britain were ravaged by pleuro-

pneumonia and foot and mouth disease. Local authorities were appointed in every county to stamp out these diseases, with power to slaughter affected animals and others that had been in contact with them. Compensation to the extent of two-thirds of their value was paid to the owners by a rate levied equally upon landlords and tenant farmers. After several years' rigid administration of the law, under competent veterinary inspection and the payment of an enormous compensation for slaughtered animals, these diseases were stamped out and the country has now a clean bill of health so far as they are concerned. Canadian, American and Argentine cattle are still admitted into Britain, to be slaughtered at the port of landing, but not allowed to be distributed all over the country, at the risk of spreading contagious diseases among the valuable herds of the Kingdom. These importations of live cattle, supplemented by large supplies of beef in the carcass from the same countries, amount to a large proportion of the total butcher meat supply of the people, and I think I am safe in saying that the beef furnished by the Canadian stockers before the embargo did not amount to one per cent. of the whole.

At the close of the year the *Westminster Gazette* and the Manchester *Guardian,* both Ministerial organs, came out against the embargo. Meanwhile, though the dreaded pleuro-pneumonia was apparently absent from Canadian cattle there could be no doubt of the wide prevalence of tuberculosis throughout the Dominion. At Cowansville, P.Q., on Nov. 16, Mr. Fisher, Minister of Agriculture, warned the farmers against the disease and the possibility of its spread to human beings; an epidemic prevailed of some such disease amongst the Fraser River cattle in British Columbia at that very time; the trouble in the herd at the Prince Edward Island Government Farm had been public property for a year or more; the question of cattle disease in the Eastern Townships of Quebec was a serious one and widely discussed.

Rudyard Kipling and other British Visitors to Canada

A brief but interesting incident of the year was Mr. Rudyard Kipling's visit to Canada. Cultivated opinion knew him as a brilliant poet and prose writer; public opinion knew him and regarded him chiefly, perhaps, as the poet of Empire and the embodiment of Imperialism; his personality was, of course, entirely a matter of newspaper impression. "Our Lady of the Snows"—splendid and accurate presentment as it was of Canada and Canadian conditions—had not been popular amongst a people unduly sensitive to the injury which American misrepresentation and English ignorance of their climate had done the country. But "The Recessional" and some of his Empire songs had reached and stirred the hearts of a myriad Canadians, and Mr. Kipling was sure of a welcome in Canada as genuine as it would have been enthusiastic. For reasons, however, not known to the public he did not meet the people at all; he addressed banquets of the Canadian Clubs at Toronto, Montreal, Ottawa, Winnipeg, Vancouver and Victoria; his views were clearly enunciated and far-flung over the stretches of half a continent; but his personality did not touch the masses, who would so much have liked to hear and see him.

Mr. Kipling had not been in Canada since 1889, when he was just becoming known as a writer of Eastern tales, and on reaching Montreal, on Sept. 29—accompanied by his wife—he told the press that he was chiefly anxious to see the wonderful changes which had since then come to Canada. There and elsewhere he talked freely, but not fully, to the newspaper men in concise and crisp sentences and with frequent inquiries of his own as to Canadian affairs and conditions. At Winnipeg, on Oct. 3rd, the "Empire-builder," as the papers constantly termed him, was entertained by Mr. W. Whyte, Hon. C. H. Campbell and the Rev. Dr. C. W. Gordon in various ways, and in the evening was dined by the Canadian Club at a crowded function of some 600 guests, with President G. R. Crowe in the chair. In his short address the only reference to Imperialism was the modest personal statement: "I have done my best for twenty years to make all the men in our sister nations interested in each other because I know that at heart all our men are pretty much alike in that they have the same problems, the same aspirations, and the same love, and the same hate, and when all is done we have only each other to depend upon. If through any good fortune any work of mine has helped to make the boys over the world a little bit interested in each other then great is my reward."

At the Canadian Club luncheon in Vancouver, on Oct. 6, Mr. Kipling received an ovation from a gathering representative of all that was best in the financial, social, and political life of the City. Mr. J. J. Banfield presided and the guest's speech was very brief—the chief passage being a reference to the coming flood of immigration: "If I had not as great faith as I have in our breed and in our race I would tremble at your responsibilities, but I believe in you who have come through the mountain passes already as I believe in the great throng that is on its way through the mountain passes now—a fertilizing stream that no power can check though they may strive for a little time to delay it. You have a rightful pride in your city; my pride is in your destiny." In Victoria, as elsewhere, Mr. Kipling was, of course, interviewed but refused to speak definitely on the question of Asiatic immigration except to suggest more British immigrants. He was also entertained there at a Canadian Club luncheon on Oct. 8, with Mr. A. W. McCurdy in the chair. The immigration of men of British blood was urged with force and fervour. "It is possible that, in your present situation, you may think, or you may be directed or persuaded to think, that this is not an urgent question; that it is possible to dally with this question. But the time is coming when you will have to choose between the desired reinforcement of your own stock and the undesired rush of races to whom you are strangers, whose speech you do not understand, and from whose instincts you are separated by thousands of years. That is your choice." In Toronto Mr. and Mrs. Kipling, who had

crossed the continent in a private car lent by the C.P.R., were once again the guests of the local Canadian Club. It tendered Mr. Kipling a crowded Dinner and a personal reception which was enthusiastic in the extreme. Interviewed by *The Globe* beforehand, he had expressed himself in much-quoted terms upon the Immigration question:

> Immigration is what you want in the West. You must have labourers there. You want immigration, and the way to keep the yellow man out is to get the white man in. If you keep out the white then you will have the yellow man, for you must have labour. Work must be done, and there is certain work which a white man won't do so long as he can get a yellow man to do it. Pump in the immigrants from the Old Country. Pump them in; England has five millions of people to spare.

At the banquet, where some 800 guests were present, Mr. John Turnbull presided, and the poet-orator, after a warm eulogy of Mr. Chamberlain, dealt with the future unity of the four nations —Canada, Australia, South Africa and New Zealand; described the splendid possibilities before them; and indicated their five great problems or "points of fellowship" as being education, immigration, transportation, irrigation and administration. In Ottawa a Canadian Club luncheon, presided over by Mr. Hamnet P. Hill, and attended by Sir W. Laurier, Mayor Scott, Sir James Grant, Messrs. Fisher, Brodeur, Fielding and Lemieux, of the Dominion Government, and 400 other guests, was addressed on Oct. 21 at greater length than usual by Mr. Kipling. He was enthusiastic regarding the growth of a national spirit in Canada which would pave the way for Empire duties; he dealt with the law of nations which involved development of vacant territories and riches by their own people or else by other nations; described the universal demand in Canada for more men and labour; and referred to the Oriental immigration question as follows: "I do not understand how the Dominion proposes to control an enormous Oriental trade and, at the same time, hold herself aloof from the Asiatic influx which is the natural concomitant of that trade. Above all I do not understand why, with all the white immigration of the Mother-land to draw from, why, with all its resources, the Dominion should fear, or be represented as fearing, the consequences of that influx. As I said before, everywhere I was impressed by the cry for more men, for more people, for more labour."

In an interview with the Ottawa *Citizen* Mr. Kipling described Canada as a country in which 30 millions of new people could be placed and then "one could begin to see that there were men about." He favoured a British preference policy and thought it would come as "a sort of boiled-down tariff compromise." The Hindus who came to Canada did not, he said, come to stay, and were not, therefore, to be feared as settlers. At Montreal, the Canadian Club heard the visitor speak on Oct. 23rd, with Mr.

W. H. D. Miller in the chair, in terms of terse, manly, practical character. His text was Imperialism as a species of brotherhood, and journalism in its daily influence upon life and affairs: "No man knows better than the journalist that if in his utmost haste he mishandles his material and treats it without due and proper respect, but deals with it merely as stuff and not as the story of his civic, national and imperial life, he sins against his town, his nation, and his Empire, and he misrepresents his country in her own eyes and in the eyes of her neighbours." To the students of McGill University, in accepting an Hon. LL.D., Mr. Kipling addressed words of wholesome advice in cultured and effective English. He warned them against materialism, inordinate love of money, and undue smartness. This was the last word of the poet to Canada while standing on its soil; in another year, and with the pen instead of the voice, he expressed matured views upon the problems of the country which had interested him so greatly; which had received him with so much interest; and which would have liked the chance of according him a more popular, wider and more general welcome.

Of other distinguished visitors during the year—and they increased greatly in number over preceding seasons*—the first in rank, though travelling privately and almost unnoticed by the press, was H.R.H. Leopold, Duke of Albany and Duke of Saxe-Cobourg-Gotha, grandson of Queen Victoria and nephew of the King. He was at Victoria, on a tour of the world, on Apr. 1st and at Montreal on the 15th. An event of the year was the visit of the Rt. Rev. and Rt. Hon. A. T. Winnington-Ingram, D.D., P.C., Lord Bishop of London. He was on his way to attend a General Convention of the Episcopal Church of the United States and his incidental visit to Canada was the occasion of an enthusiastic reception and most interesting speeches. In Montreal, from Sept. 9 to Sept. 11, there was a Civic reception, with Addresses of welcome, luncheons, functions, drives, etc. In his first sermon there the Bishop paid high tribute to the Jesuits and missionaries of France, who first set the Cross of God upon the hills of Canada, and urged Canadian churchmen to see that the multitudes of Englishmen now coming to the Dominion should have the services and sacraments of their own Church. This was his text everywhere, though in differing forms and words and application. Speaking on Sept. 10 of the immigration movement His Lordship stated that: "As a result of nine years' labour in the East End of London, I could not help but hope that a large proportion of that population would come to Canada. The Dominion has opportunities to offer them which are never dreamed of at home. Those people to whom I refer are hard-working people and honest. They are not wastrels, but are trying to eke out a living as best they can on the small amount which their daily work brings them. Give them the oppor-

* NOTE—See previous volumes of *Canadian Annual Review*.

tunity in a land where hard work counts, and I venture to say that success would be theirs." To the Canadian Club in Ottawa, on Sept. 12, the Bishop described his work amongst the poor of London, where the Church of England had built 215 churches in 40 years and had 50,000 voluntary workers in the slums. He looked to the day when Canada would have a population of 100,000,000, and when Montreal, Toronto and Ottawa would be amongst the greatest cities of the world. He strongly urged that wide expanses be secured for parks as the country grew, so that when the great population came they could have breathing spaces and not be jammed in together like sardines in a box. "The religion of progress is Christianity." At Howick Hall 6,000 of the people heard another eloquent address on "the Heart of the Empire."

In Toronto the Bishop addressed, on Sept. 13, a great audience in University Convocation Hall, and in terms which a Presbyterian clergyman, the Rev. John Neill, described as one of the most "helpful and stimulating messages which have ever come to Canada." Various functions followed, and to the English immigrants in the City came these words of admonition: "Be sober and industrious. Do not forget the Mother-land that gave you birth and infant nurture. Keep up and preserve her good name unsullied. Have a firm faith in Almighty God and obey His laws. Adapt yourselves to your new environments." On the 16th an address was given the Canadian Club. Here he briefly described his life and labours and experiences in order to point the moral of five secrets in man's influence over his fellows. The first of these was absolute straightness. "Straightness is needed universally—for instance, in public life. I do hope Canadians won't be averse to learning something from the Mother-country which I do hold up as an example to the whole world of absolute straightness in public life. I know of no man in Parliamentary life in England against whom the breath of scandal was ever raised. In municipal life the righteous indignation of all England in the West Ham matter only proves the great exception of such conditions. If your country is going to be a great country, and I believe it will, you must keep absolute straightness in the forefront of public life and the same in social life and friendship." Then came sympathy, then sense of humour, a lack of frills or "side," and lastly faith. On Sept. 17 the Bishop was at London marking the celebration of Huron's Jubilee as a Diocese. His sermon included a warning against the "new theology," as in Toronto he had given warning against Socialism. There followed a visit to his farmer-brother, Mr. F. Winnington-Ingram, near Aylmer, and on Sept. 20 an informal reception was attended by some 500 persons from all the neighbouring towns and villages. At Niagara Falls, on Sept. 23, His Lordship gave his farewell address in Canada. He summed up his impressions of

Canadians as a religious nation, and a sober, healthy, well-fed people.

A very different and more frequent visitor was General Booth, of the Salvation Army. He addressed immense audiences in Toronto on Mar. 10, and spoke to the Canadian Club on Mar. 14; gave several addresses to great crowds in Montreal on Mar. 17; was heard by thousands in Winnipeg on Mar. 24, and also addressed the Canadian Club of that City; and was welcomed at Vancouver on Mar. 29. Another visit to the Atlantic Provinces was made in September and three addresses given at St. John, N.B., on the 22nd, followed by an address at the Canadian Club and a similar reception in Halifax. Still another type of Englishman came to Canada during May in the person of W. T. Stead. With frequent press interviews, the free discussion of everything and everybody, and some speeches which were considerably interrupted, the versatile journalist made things interesting for the public. In Toronto, on May 1st, he described himself as a Unionist and an opponent of Socialism; described Canada as entitled to please herself about going or staying in the Empire and as being a sort of wedding-ring to unite English-speaking peoples; declared the Boers to be reasonably satisfied with present conditions and amazed at England's kindness. In the evening he addressed the Press Club; but did not speak at the Canadian Club either in Toronto or Ottawa—owing, it was understood, to his pro-Boer attitude in the war. In Montreal, on May 9, he addressed a crowded but stormy public meeting at which he declared that in the South African war he would have liked to see Canada helping the Boers.

A visitor somewhat similar in type was Mr. J. Keir Hardie, M.P., Chairman of the British Labour Party in the House of Commons. A Socialist and Radical, opposed to Imperialism, emigration and protection, and favourable to Home Rule, Woman's suffrage and various "progressive" policies such as the practical separation of the Colonies, and the Government of India by its natives—whatever that might mean—his speeches and interviews were at least interesting. In Toronto, on July 13-14, he objected to the British Welcome League limiting its work to British subjects; declared that he wanted to keep Englishmen at home; addressed the Canadian Club and a gathering at the Labour Temple. On July 26 he addressed a meeting of Winnipeg workmen, denounced the South African war as "a nefarious scheme and unparalleled crime"; on the 28th he spoke in Calgary to an immense meeting and there, as elsewhere, urged the union of Socialism and Labour; addressed a gathering in Vancouver on Aug. 2 and in Victoria on the 5th where he declared his opposition to Preferential tariffs had been enhanced by what he had seen in Canada. He then left to throw some firebrands amongst the

ignorant masses of India and to stir up the socialistic elements of Australia.

Lord Wolverton was in Canada during May; Admiral Lord Charles Beresford, K.C.B., K.C.V.O., was in Winnipeg on Mar. 19; Sir Robert Cranston, K.C.V.O., Lord Provost of Edinburgh, addressed the Empire Club, Toronto, on Apr. 5; Mr. S. Benson-Clough, a barrister and Tariff reform politician, was in Canada during April and May on a tour of the Empire; Mr. R. W. Perks, M.P., visited Montreal, Ottawa, Toronto and the Georgian Bay region in June; Sir Frederick Lugard, K.C.M.G., C.B., D.S.O., the well-known Commissioner in Nigeria for many years, passed through the country in July on the way to his new Governorship at Hong-Kong; Mr. Wm. Fife, of Fairlie, Scotland, the famous Yacht designer, was in Toronto on July 23; Dr. T. J. Campbell, head of the Royal Normal College for the Blind at Norwood, was in Montreal on Aug. 19; Admiral Sir A. H. Markham, K.C.B., travelled through Canada with his wife in August, as did the famous scientist, Sir John Murray; Mr. Harry Brittain, the London Publisher, Lord Hindlip, Lord Vivian, and Sir T. Lauder Brunton, M.D., F.R.S., were also in Canada during August; as were Lord Loreburn, Lord High Chancellor of England, J. D. White, M.P. for Dumbartonshire, Sir Kenelm E. Digby, K.C.B., Sir A. N. Birch, K.C.M.G., an ex-Colonial Governor, Sir Samuel Chisholm, formerly Lord Provost of Glasgow, F. C. Berridge, M.P. for Leamington, Hon. Maurice R. Gifford, C.M.G., of South African fame, Sir Vincent Caillard, M.P., of Egyptian and financial repute, Hon. Alex. Bruce, Lord Elgin's youngest son, and Mr. H. C. W. Verney, a defeated Liberal candidate and Private Secretary to Lord Elgin, the Earl and Countess of Lovelace on a world-tour, and James Leigh Wood, C.M.G., of London, during September.

There were a large number of British journalists in Canada during the summer, many and varied letters in British newspapers as a result, comments and conclusions in England and criticisms in Canada, speeches from the visitors themselves and various entertainments in their honour. There were three parties of journalists. The first was made up of A. J. Dawson of the London *Standard;* P. H. Cockman of the *Morning Post;* Harold Begbie of the *Daily Chronicle;* H. W. Smith of the *Daily News;* Howard Gray of the *Pall Mall Gazette;* Kenneth Barnes of the *Westminster Gazette;* Frank Rinder of the Glasgow *Herald;* S. Begg, artist of the *Illustrated London News;* T. B. McLachlan of the Edinburgh *Scotsman;* J. A. Sandbrook of the *Westminster Mail,* Cardiff; J. R. Fisher of the *Northern Whig,* Belfast; and J. M. Gibbon of the C.P.R. service in London. These gentlemen came to Canada as the guests of Sir Thomas Shaughnessy and the C.P.R., and were accompanied throughout their trip by Mr. G. H. Ham as the Railway's representative. They went through to the Pacific Coast and were entertained at a Victoria banquet on Aug. 6, with

welcoming speeches from Mr. Premier McBride and other prominent citizens; at Winnipeg, on their way back, they were lunched by the Canadian Club on Aug. 14, when Mr. A. J. Dawson delivered an address which was the event of the evening. At Vancouver and Edmonton, at Fort William and Port Arthur, and at many intermediate places they were also cordially welcomed. In Toronto, on Aug. 18, they were the guests of the local Press Club; on the following day they were at Niagara Falls and Hamilton; on the 21st they were in Montreal and were entertained by Sir T. G. Shaughnessy, Lord Strathcona and Mr. E. S. Clouston; on the 23rd they sailed for England after travelling 13,000 miles in 7 weeks and receiving impressions of which the result was more than useful to Canada—in praise as well as in a much more limited criticism.

The second party came out as the guests of the Dominion Government and under the special charge of Immigration Agent W. J. White. It included Barclay McConkey of the Belfast *Telegraph;* W. Longstaff of the Newcastle *Chronicle;* Charles W. Starmer of the *Northern Echo,* Darlington; David L. Cromb of the Dundee *Advertiser;* J. M. Attenborough of the Manchester *Guardian;* W. Rowley Elliston of the East Anglian *Daily Times;* Joseph Cooke of the Sheffield *Independent;* W. Redwood of the Bristol *Daily Press;* J. T. Dunsford of the Bridgewater *Mercury;* A. W. Powell of the Birmingham *Dispatch;* and A. T. Elliott, *Times* correspondent, Washington. These gentlemen arrived in Winnipeg on Aug. 5 and went through the country rather more quietly than the other party. They were in St. John, N.B., on Aug. 29 and were given a most cordial reception and then made a tour of the Maritime Provinces as guests of the Intercolonial Railway.

Still another party came out in September on the *Lusitania* and made a tour of Ontario as the guests of the Provincial Government with visits to Sault Ste. Marie, the Hutton iron-range, the copper and nickel fields of Sudbury, the mining district of Cobalt, the centre of agricultural education at Guelph. Mr. H. R. Charlton, of the Grand Trunk Railway, was in charge of the party until they started across the continent from North Bay. The members of this party were as follows: R. J. McHugh, *Daily Telegraph,* London; Andrew Still of the *Morning Post,* London; Walter E. Hobbs of the *Standard,* London; Frank Dilnot of the *Daily Mail,* London; George Albert Jones of the *Daily News,* London; W. R. Holt of the *Tribune,* London; F. W. Boyle, of the *Daily Chronicle,* London; H. M. Walbrook of the *Pall Mall Gazette,* London; J. B. Atlay, *Globe,* London; J. A. L. Gullard of the *Financial Times,* London; G. H. Green of the *Financial News,* London; R. Van Cutsen of *The Financier,* London; David Sandeman of the Glasgow *Herald;* F. H. Atkinson of the Liverpool *Post;* R. R. Matson of the *Statist,* London, and D. E. W. Gibb, *Economist,* London.

Amongst the many notable articles or series of articles written as a result of these tours the ones most discussed in Canada were those of A. J. Dawson in the London *Standard,* Harold Begbie in the London *Chronicle,* and H. Hamilton Fyfe in the London *Daily Mail.* The latter appears to have traversed the country independently of the organized parties and his comments were very fresh and crisp, and valuable as conveying a picture not always visible to the average Canadian. Mr. Fabian Ware of the London *Morning Post* was another well-known journalistic visitor of the year.

The visit of a team from the National Artillery Association of Great Britain was another incident of the year. In 1884 such a team had come to Canada and won the Queen Victoria Cup; in 1897 Canada sent a team to Shoeburyness and won the King's Cup. In 1907 the King gave a Cup valued at $500 for the competition afterwards settled at Halifax. The team duly reached the drilling and training grounds at Petawawa, Ont., on July 22. It numbered 35 men and 5 commanding officers with Colonel the Earl of Stradbroke, C.B., A.D.C., in command. After a period of practice and competition the officers were entertained in Toronto on Aug. 2nd by Colonel the Hon. J. S. Hendrie and Sir H. M. Pellatt; and the men at a luncheon by the local troops. They then paid a visit to Niagara, went on to Montreal, were welcomed at St. John on Aug. 9 and, at Halifax on the 16th were defeated in a very close match, by 617 to 530 points, for the King's Cup. The winners were a Nova Scotia team made up, however, in part of 17 ex-Royal Artillery gunnery instructors who had remained with the Canadian forces at Halifax. Of visiting Canadians Mr. Hamar Greenwood, M.P., made a tour of the country in August. He was at Victoria, B.C., on Aug. 28, where he told the press that the All-Red line project would be a success; there and in Winnipeg on Sept. 9 he took strong ground against the exclusion of the Japanese and regarding Canada's responsibility in Empire affairs and policy; in Calgary on Sept. 25 he told the *Albertan* why there was so little political corruption in England: "Because corruption is regarded as bad form and the educated Englishman places form above even his Christianity. Corruption is frowned down by the workers on both sides. Further, the splendid British judiciary is severe to a fault in dealing with cases of electoral corruption. Why, I remember in one case a prominent man was not only unseated but disqualified for several years because his friends had given a social tea party during the election." In Toronto a little later he addressed the Empire Club on the Japanese question. Mr. Donald Macmaster, K.C., of London, and Mr. W. L. Griffith, of the High Commissioner's Office, were other visitors, while Dr. G. R. Parkin, C.M.G., was dined at the National Club in Toronto on Jan. 30 and addressed the students at the University. He also delivered an inspiring speech on Rhodes and Imperialism at Dalhousie College, Halifax, on Mar. 10.

Canadian Relations with Newfoundland and the West Indies

No progress of any kind was apparent during 1907 in the discursive and occasional talk as to the Confederation of Newfoundland with Canada. The Bond Government remained in power with a large majority, there were no bye-elections for the Legislature, and the only Government change was the retirement of the Hon. Sir E. P. Morris, Minister of Justice, on July 20, with the appointment in his place of Hon. James M. Kent, K.C., acting-Minister and a Member of the Executive Council. The Budget speech of Hon. E. M. Jackman on Feb. 11th showed a revenue for the year ending June 30, 1906, of $2,660,000 and an estimate for 1907 of $2,665,000; with expenditures in the former year of $2,590,000 and an estimate for the latter period of $2,717,000. School desks, hardwood, timber for ships, wire fencing, gates, and motor engines for agricultural use, were placed on the free list. The bounty on canned codfish was increased and bounties ranging from $4.00 to $10.00 a ton were promised for ships constructed in the Colony. The debt on June 3, 1907, was stated at $22,793,866; the imports for the year ending June 30, 1907, were $10,426,040, of which $2,669,934 came from Great Britain, $3,669,098 from Canada, and $3,447,359 from the United States; the exports were $12,101,161, of which $1,492,745 went to Great Britain, $1,611,480 to Canada, $2,063,444 to Brazil, $1,841,968 to Portugal, and $1,394,269 to the United States. The year 1906 had been a very prosperous one; that of 1907 was still more so.

The Colony came into touch with Canada upon two points during this period—one was the general discussion at the Colonial Conference; the other was the matter of a projected fast steamship line. The latter subject came to the front by the Legislative ratification of a contract between the Newfoundland Government and certain interests in London, represented by Ochs Bros. and H. C. Thomson, for the establishment of a line of steamers running from Killary Harbour, Ireland, to Green Bay, Newfoundland, with three days as the time from port to port. Newfoundland promised a yearly mail subsidy of £15,000 for 25 years, land grants, extensive terminal and railway facilities and free admission of material. Despite the All-Red line proposals and the Blacksod Bay rival scheme considerable progress was made during the year in the railway part of the Newfoundland plan.

As to the Conference much has already been written. Sir Robert Bond, as a rule, supported the attitude and proposals of the Canadian Premier; and the Canadian press sympathized very largely with his view of Imperial policy in the United States embroglio. Speaking at the National Liberal Club, on Apr. 26, in this latter connection, Sir R. Bond said: "Originally the people of the United States had equal rights with British subjects in the Fisheries of North America. The war between England and the

United States cancelled those rights. In 1818 a Treaty was entered into which gave the Americans certain rights, and it is precisely in regard to what these rights mean that a difference of opinion has existed. There can be no doubt whatever, I think, that England, being the Sovereign Power, and conveying to the United States certain privileges within her territory, expected and intended that those who exercised those rights should be amenable to the laws of the land that they were about to enter. That is what I contend."

The semi-personal incidents which followed and which evoked considerable indignation in Canada, as a result of sensational statements by the Canadian and United States press agencies, were really very different from the description in despatches. The Newfoundland Premier did not leave the Conference in anger nor did he use the words which these cables put in his mouth—notably on May 14. In the June *Contemporary Review* Judge Hodgins, of Toronto, had an elaborate article on the Fisheries question as affecting Canada and Newfoundland. Great Britain's enforcement of the *modus vivendi* with the United States; the practical suspension of Colonial laws prohibiting Island fishermen from serving on American vessels; the apparent over-riding of Newfoundland legislation by the Imperial authorities; aroused much sympathy in Canada and the press was practically unanimous in censuring the British policy without, perhaps, much consideration for British responsibilities. In an elaborate despatch to the Governor of Newfoundland, dated Sept. 19, 1907, Lord Elgin reviewed the whole question, and added these significant words: "I am, however, constrained to add that His Majesty's Government cannot but feel that in this important question they have not received all the assistance which they were entitled to expect at the hands of your Ministers. My colleagues and myself are not responsible for, and did not create, the burdensome treaty obligations which bear so heavily on Newfoundland, and the practical sympathy of this country with the Colony was shown in 1904, when the late Government, with the full approval of every section of the community, made considerable sacrifices, not merely of money but of British territory, in order to relieve Newfoundland from the most onerous of the French treaty rights. But whatever charges may be brought against the policy which, in 1818, conceded the American treaty rights of fishery, nevertheless, those rights remain binding and have been continuously exercised for nearly 90 years." The whole question of the Fisheries was finally relegated, with the approval of both the Newfoundland and Canadian Governments, to the Hague Tribunal.

Canadian relations with the British West Indies assumed a somewhat active form during the year. The Commercial Agency system was partially re-arranged by the Department of Trade and Commerce, though the figures of total trade showed a decrease, as

had also been the case in 1906. Distinct efforts were made, however, to improve the situation and, early in the year, upon the suggestion of Sir Daniel Morris, Imperial Commissioner of Agriculture for the Islands, a Committee representing the Boards of Trade of Halifax, Toronto and St. John arranged to visit the West Indies and examine and report upon existing conditions. Those selected for this mission were J. D. Allan of Toronto, A. E. Jones of St. John, and H. B. Schofield of St. John—J. J. McGill of Montreal being unable at the last moment to go owing to sickness. The delegates left Halifax on Feb. 15 and held meetings at Bermuda, Trinidad, Grenada, Barbadoes, St. Lucia, Dominica, Antigua, Nevis, Montserrat, and St. Kitts. They were met everywhere by representative business men, unbounded hospitality and assurances of good-will. Upon their return the delegates made public an elaborate Report dealing with conditions and recommendations. The position as to Canadian sales of flour, biscuits and hard-bread, cheese, butter, boots and shoes, lumber, etc.; the possible purchase of cocoa, sugar, molasses, fruits, etc.; the necessity of sending commercial travellers, and having better postal arrangements and cable communication; and the question of preferential tariffs; were all discussed and dealt with. It was found that tariff conditions varied in the Islands and that Jamaica, for instance, admitted manufactured goods coming chiefly from Great Britain at lower rates than flour, meat, and other food products, coming from the United States or Canada. At the same time Canada's preference on sugar brought nearly all the sugar exports of this Island to Halifax. Before leaving for the Colonial Conference Sir Wilfrid Laurier received a Memorandum from the Halifax Board of Trade which described the delegates' advocacy of Preferential trade with the West Indies and went on to say: "The idea was, on the whole, favourably received, though some doubt was expressed that the Home Government might not approve of the principle. It is felt that if Canadian goods were granted a preference in the British West Indies it would be of very great advantage to this country, and would enable a large trade to be done in agricultural products such as flour, oats, peas, etc., which are now sent there from the United States."

On Apr. 9 Mr. J. D. Allan, who had been Chairman of the West Indian delegation, addressed the Toronto Board of Trade on the desirability of closer political and commercial union; on Apr. 1st the Bahama Islands House of Assembly, with Speaker Cannon and a party of United States Congressmen present as visitors, debated the question of a tariff preference to Great Britain and Canada and voted against it on the ground of the United States being the biggest customer of the Islands; on Mar. 15th Mr. S. O. Shorey, of Montreal, addressed that city's Board of Trade in favour of the policy and declared from personal experience that it would not be hard to turn the trade of the Bahamas toward Canada.

In the summer Sir Daniel Morris paid a visit to Canada. Speaking on Aug. 29, at a Toronto Exhibition luncheon, he stated that the Canadian Preference on sugar had been a great benefit to the West Indies but had not worked out as was expected:

> During the past year instead of nearly the whole of their sugar to Canada being sent direct, as it had been the previous year, it had gone to England to be refined, and then the refined sugar had been sent to Canada. He thought there must be something wrong if the refiners in Canada would not give a price at least as good as the refiners in England, when they had the rebate of duty on every pound of sugar that came from the West Indies. In any case Canada had taken a large quantity of West Indian sugar. It also took enormous quantities of molasses and syrups; indeed he thought the West Indies got more benefit from Canada in respect to these than in regard to sugar. Cocoa was another important product of the West Indies, and though a number of manufacturers in Canada did take their supplies from them there was no reason at all why the West Indies could not supply all the cocoa required in the Dominion. He also recommended the coffee grown in the West Indies and their grape fruit and lime juice. There were at least 50 different kinds of crops that could be grown in the West Indies but that could not be grown in Canada, although they could be used there.

He addressed the Toronto Board of Trade on Sept. 18 and observed that "Canada must be advertised. In all my travelling through the country I represent I seldom or never met a Canadian commercial traveller. But I meet American 'drummers' in plenty. Of all the literature which I am informed Canada circulates through the Empire only a meagre few pamphlets ever stray into Jamaica or Barbadoes." On the next day he spoke to the Empire Club and on the 30th to the Montreal Board of Trade urging the appointment of a West Indian Committee in that organization, the appointment of a qualified Government Trade Agent, and improved means of communication. Following this address the principal Boards of Trade in Canada were communicated with by the Montreal Board while the Report of a Special Committee declared better steamship facilities the crux of the question, and the Government appointed Mr. E. H. S. Flood as Trade Commissioner for the Islands. On Oct. 15 Sir Neville Lubbock, Chairman, and Mr. A. T. Aspinall, Secretary of the West India Committee in London, addressed a long letter to Mr. Fielding, Minister of Finance, in reply to some inquiries from him. They described the existing steamship service as unsatisfactory and suggested its being remodeled at the end of the present contract in three years; urged the fact of insufficient effort by Canadian merchants to cultivate the trade; and pointed out that a West Indian preference on timber, fish, and flour would be a substantial benefit to Canada and a good basis for reciprocal action.

The terrible earthquake and fire which partially destroyed Kingston, Jamaica, on Jan. 14 and killed at least 1,000 people, was an event of deep interest to Canada, and the incident connected with the aid tendered by Admiral Davis and his ships was

one of historical import as well as of international hysterics. The City was full of visitors—English and American and Canadian; many people were killed and a number injured; the Bank of Nova Scotia building was destroyed and many Canadians had narrow escapes although none were injured; Sir James Ferguson, a distinguished English politician, was killed; Sir Alfred Jones, H. O. Arnold-Forster, M.P., J. Henniker Heaton, M.P., the Earl of Dudley, Hamar Greenwood, M.P., and others, were in the City or its vicinity and much assistance was at once given by Sir Alfred Jones, who had a steamer in the harbour; Sir Alex. Swettenham, the Governor, worked day and night and soon evoked order out of temporary chaos; the Dominion Parliament, a little later, voted $50,000, while supplies were rushed from Atlantic ports to the stricken people; the Lord Mayor of London started a fund which on Feb. 2 totalled £230,000; the United States Congress passed a Resolution of sympathy and voted supplies; the Halifax *Chronicle* started a Nova Scotia fund on Jan. 19 which reached a total of $11,960; the City Councils of Toronto and Winnipeg each voted $5,000 to the stricken city; New York sent a supply of food and clothing; the Imperial Government at a later date approved a grant of $750,000 and a loan of $4,000,000 on easy terms for the rebuilding of the City, while the War Office made a grant of $405,000 for the rebuilding of the military quarters; United States ships entered the harbour, landed troops and offered aid under circumstances which created wide controversy.

Space will not permit any detailed analysis of this latter issue here, but in its study certain matters must be borne in mind. The Island contained many Americans, a part of the press and practically all the external cable news was controlled by Americans; there was a party opposed to the Governor, which included the United States element, and was very assertive; Admiral Davis was unquestionably aggressive in his attitude, ignorant of local conditions and representative of a nation which has a vague idea that the United States and the Monroe Doctrine indirectly control all such territories as the West India Islands. The London *Times* correspondent, writing from the scene of trouble on Jan. 19th, said: "There was no disturbance and no danger, an armed force was available under proper direction, and acting in strict obedience to orders. But Jamaica is a very hot-bed of idle rumours and unfounded stories, and it is not to be wondered that the story of disorder should have spread in circumstances in which disorder might reasonably be anticipated. Nevertheless, the landing of United States marines was an error, an error which, if I am not greatly misinformed, was due to a misconception of his duties by a subordinate, and not to the act of the Governor, who, on learning what had taken place, lost not a moment in thanking Admiral Davis for his prompt and friendly action and requesting him to withdraw an armed force for whose services there was no use whatever."

MR. A. M. BELL.

Elected President of the Maritime Provinces Boards of Trade Association in 1907.

MR. GEORGE O. BUCHANAN.

Re-elected President of the Associated Boards of Trade of Eastern British Columbia in 1907.

The real issue was afterwards confused and buried by the publication of Sir Alex. Swettenham's letter to the Admiral and public criticism of its terms was further inflamed by the hysterical, sensational, and untrustworthy despatches of the American Associated Press in Jamaica and influenced by the somewhat hasty and humiliating action of the British Government in its apologies and thanks to the United States authorities. Canadian press opinions and comments were naturally controlled by these conditions and a brief review of actual events will be useful. The earthquake and fire occurred on Jan. 14. On Jan. 17 Admiral Davis reached the harbour with two warships and, unannounced, without official permission or request, sent an armed force to the American Consulate early in the morning. Hearing that there was a mutiny at the Penitentiary—which was not the case—he also despatched a force to suppress it, and then called on the Governor to report the extraordinary steps he had taken. After some quiet discussion of the situation it seems that the Admiral undertook to withdraw his men when asked to do so, and the Governor then took him officially to the General in command of the British troops, etc. Later he returned the Admiral's call and asked him to withdraw his troops, which was done. On the 18th the Admiral wrote saying that he did not think the Governor had the means of coping with the situation and, again without permission, landed his troops and established a field hospital under the American flag. Sir A. Swettenham then considered it necessary to assert his authority, wrote the much-discussed and abused letter, which was made public without his permission, and the troops were then withdrawn. In brief this letter was the end of the incident and not the beginning, as the press and people of Canada were led to believe. Then came the action of the British authorities, the Governor's enforced apology, the gratification of the American Government and press, the retirement of Sir A. Swettenham after he had got things into working order.

It would be useless to quote Canadian press opinion upon the subject. It was written without exact knowledge of the situation and was based mainly upon the statements of the American Associated Press agency. Fully one-half of the papers expressed sympathy with Admiral Davis and his mission of mercy and condemned the Governor's action; about a quarter hesitated to condemn the latter entirely and completely; a small proportion pointed with pride to Sir A. Swettenham's brave stand for British dignity, territorial rights and international courtesies. Of these latter the Toronto *Saturday Night,* the Montreal *Witness,* the St. John *Telegraph,* the Ottawa *Citizen,* and the Toronto *Mail* may be mentioned. The Winnipeg *Telegram* and Peterborough *Examiner* drew attention to what the former termed the folly of trying to get an accurate statement of facts in an international episode through United States sources; Mr. A. Stuart Irving, of

Montreal, who was in Kingston at the time, denounced in Canadian press interviews the "intensely irritating swagger" of the American sailors and the "disgraceful exaggerations" of the United States press correspondents; Mr. T. A. Vipond, of Montreal, also described many of the statements made as entirely false; Mr. Hamar Greenwood referred to the whole affair as an illustration of "Yankee bounce" and stated that on Christmas Day preceding the incident a large gathering of Americans had taken place in Kingston with the United States flag flying and a positive refusal to sing "God Save the King." The matter may be left here with the statement that Sir A. Swettenham was expected to visit Canada after his retirement, that the Canadian Clubs at Victoria, Calgary, Winnipeg, Ottawa, Montreal, St. John and Halifax invited him to be their guest, and that many would personally have liked to welcome him.

Canadian Relations with Australasia

The Australian Commonwealth had two prosperous years in 1906 and 1907. For the former year the exports were $340,000,000, or $57,000,000 more than in 1905, and the imports $223,000,000, or $30,000,000 more. Its trade with British countries increased $120,000,000 between 1896 and 1906 and with Foreign countries $80,000,000. It may be added in detail that the total trade for the year ending Dec. 31, 1906, included imports of $162,116,925 from the British Empire, of which $1,478,255 was from Canada, and exports of $226,297,477 to the Empire, of which $3,565,748 was to Canada; with imports from Foreign countries totalling $55,566,670, of which $22,549,958 was from the United States, and similar exports totalling $112,092,970, of which $21,115,011 went to the States. The total trade for 1907 was $259,490,000 of imports and $364,515,000 of exports—an increase in the former case of $35,000,000 and in the latter of $15,000,000. The States' revenues were redundant in both years; the operations of the Railways in 1905-6 showed net earnings of $26,000,000 and a surplus, after paying interest on capital, of $2,000,000; the Bank deposits in 1906 were $640,000,000, or an increase of $45,000,000 in the year and of $95,000,000 since 1902. The recovery from the enormous losses in 1902-3 of $500,000,000 through the effect of the drought on cattle and sheep was tolerably complete. The immigrants numbered 54,164 in 1906 and 68,638 in 1907.

In its relations with Canada there was discussion as to the renewal of the steamship subsidy, as to the new Australian tariff, and regarding the proposed Preference. In the first connection the usual subsidy was not included in the Canadian Parliamentary estimates of 1907 though eventually Canada agreed to its renewal and to concur in arrangements pending at the close of the year between the Australian Government and the Union Steamship Company of New Zealand; while the Governor-General of Aus-

tralia, in his official speech on July 3rd, referred to the abandonment of the line between Australia and San Francisco and to a renewed contract for two years with the Government of Canada. In the Tariff matter a new but incomplete system was presented to the Australian Parliament on Aug. 8th and came into operation on the following day, though subject to varied changes before it actually passed the House of Representatives and the Senate. Strong representations were made by the Canadian Government, requesting the Australian Government to suspend the operation of the new duties until such time as the goods in transit—when the new tariff was introduced—could be admitted under the old rates. Practically the same request was made by the British Government in regard to goods in transit from the United Kingdom but, in both cases, the consideration asked for was refused. The acting Prime Minister of the Commonwealth gave as his reason for declining the requests that it was contrary to the precedent established by the Australian Colonies prior to Federation and followed when the first Commonwealth tariff came into operation.

A special schedule enumerated a line of goods and products under which a Preferential rate was granted British goods; Canada and the other Colonies were left out as subject to reciprocal arrangement. The new Tariff did not actually pass the House until the middle of December, 1907, and the Senate had still to deal with details in January of the new year. Many modifications were made during this long period of uncertainty and, finally, upon bicycles, motor cycles, vehicles, motor cars, pianos, organs, apparel, furniture, chairs, doors, boots and shoes, rubber and leather manufactures, the general tariff varied from 20 to 40 per cent., with a British Preference of from 20 to 35 per cent. Upon Canada's exclusion from this preference the Executive of the Manufacturers Association passed a Resolution on Aug. 15th declaring that its application to Canada would undoubtedly be the means of securing to Canadian manufacturers a large share of the business now being done by United States houses and urging upon the Dominion Government the great importance of effecting a preferential tariff treaty with Australia at the earliest possible moment upon terms that would enable Canada to share the advantages of that market equally with other parts of the Empire. The new duties hit Canadians interested in agricultural implements and bicycles. As a whole, it may be added, the revised tariff included (*a*) general duties at *ad valorum* and specific rates; (*b*) preference rates applicable only to United Kingdom goods; (*c*) a general free list applicable to all countries; (*d*) a United Kingdom free list of goods which were dutiable when imported from other countries, thus embodying the principle of the Empire free list in the new Canadian tariff. The influence of the Labour element was very obvious in the Clause explained by Sir W. Lyne to Parliament on Oct. 1st which enacted that: (1) All dutiable goods bearing the Commonwealth trade-mark as a guarantee that they have

been manufactured in Australia under fair and reasonable conditions as to remuneration of labour, will be exempt from excise; (2) all goods made in Australia not bearing the Commonwealth trade mark will be subjected to excise duty at the rate of half the duty on the imported goods; (3) a Board of Excise, to consist of three members, is to be appointed to give effect to the law.

In the Preferential tariff matter correspondence was laid before Parliament at Ottawa on Jan. 20, 1907, showing that on July 22, 1905, the Canadian Government decided in Council to enter into negotiations with Australia along Preference lines; that Sir Wilfrid Laurier wrote to that effect and Mr. Deakin replied sympathetically on Nov. 22nd; that no further reply was sent until September, 1906, when Sir Wilfrid Laurier wrote at length to the Australian Premier, and again on Sept. 27 with the following sentence in his letter: "We understand, however, that instead of such a preference covering the whole list of goods subject to duty in Australia it would be more convenient to your people to discuss a preference only on certain specified articles to be mutually agreed upon. This, whilst not in the line of our general policy, would be quite acceptable. The difficulty is to carry on such negotiations by correspondence at such a distance. We would like to have a preference on lumber, agricultural implements, boots and shoes, and other manufactured goods. May I suggest that you cause to be communicated to our Agent, or to us directly, a list of the articles which you would desire to be preferred and to what extent." Further negotiations were given into the hands of Mr. D. H. Ross, Canadian Agent at Melbourne, with authority to offer the existing British preference on everything produced in Australia, and asking return concessions on fish, lumber, paper, and agricultural implements.

Mr. Deakin wrote again on Oct. 8 and Nov. 23, 1906. Matters dragged on through 1907 without a settlement—the delay being caused at first, no doubt, by awaiting the Colonial Conference, where differences as to Britain's policy may have kept Mr. Deakin and Sir Wilfrid apart; then affected by the engrossing and difficult task of arranging the new Commonwealth tariff. Sir W. Lyne stated, on Aug. 21, that "no definite practicable offer" had been made during his communications with Canadian Ministers in London. On harvesters and agricultural machinery he declared a preference to be impossible. At this time Mr. Ross presented detailed considerations and suggestions in the matter to the Australian Government. His suggested basis was that Australia should extend her United Kingdom preference tariff to Canada, except on items of the following schedule, in which there was no preference or the preference was deemed insufficient, and on which Canada asked a special rate of duty: Printing paper, news and wall paper, tinned fish, bicycles, motor cars, vehicles, leather, leather belting, timber, bags and trunks, boots and shoes, India-rubber hose, furniture, chairs, agricultural implements, chaff-cutters,

corn-shellers, churns, harvesters, harvester parts, cream separators, wearing apparel, furs, denims, striped cotton, piece goods, cartridges, ammunition, blacking, fruits and vehicle parts. In return Canada offered to extend the entire British preferential tariff, which meant, on the whole, a reduction of not less than 33 1-3 per cent. on the general tariff, to Australian products, and was willing, also, to discuss special preferences on items in which Australia was specially interested.

There were some prominent Australian visitors in Canada during the year. In January the Rt. Hon. Sir John Madden, G.C.M.G., Chief Justice and Lieut.-Governor of Victoria, and Chancellor of the University of Melbourne, passed through the country on his way home from Great Britain. To the Winnipeg *Free Press,* of Jan. 3rd, he made an interesting statement as to the Mother-land: "There is no country in the world upon which pride can be better expended. I have looked in vain for signs of decadence. I have used my eyes and spoken to all classes—political, financial, commercial and industrial—and I could hear nothing from anybody that does not show that she stands higher than ever she did in the leadership of the nations of the world. Her commercial supremacy is verified by statistics." Others from the island-continent were Henry M. Collins, of Reuter's Agency, Melbourne; Hon. C. J. Johnston, M.L.C., of New South Wales; Hon. Thomas Bent, Premier of Victoria; F. Tate and A. Williams, Directors of Education, respectively, in Victoria and New South Wales. The former stated in an interview that 40 per cent. of the teachers in Victoria were males, with a still larger proportion in other States.

As to New Zealand, the International Exhibition held at Christchurch early in 1907, with W. A. Burns and T. H. Race as the Canadian Commissioners, had a splendid exhibit from the Dominion which was contained in the largest Court or Section on the grounds. Varied industrial, agricultural and mineral products were represented. Mr. Race told the Vancouver *Province* upon his return (July 5) that he found most cordial feelings toward Canada throughout New Zealand and Australia, and he dwelt, especially, on the enormous trade in fruit which might be developed from British Columbia with these countries. In New Zealand there was much enthusiasm over the All-Red line and thousands of people were, he said, preparing to migrate from there to Canada. On Sept. 25 New Zealand assumed, with all ceremony, after legislation and due arrangement, the title of Dominion of New Zealand, and Sir Wilfrid Laurier cabled the congratulations of Canada. During the year Mr. J. Graham Gow, Government Trade Commissioner from the Islands, toured Canada in the interests of better trade relations; addressed many Boards of Trade and visited all the centres; and in Toronto was entertained by the Empire Club and the Canadian Manufacturers Association. Everywhere his sound common sense, homely presentation of con-

ditions, and enthusiastic British views, ensured him a generous reception.

Some Canadian Incidents of Imperial Concern

An interesting Canadian incident of the year was the selection of Dr. Stephen B. Leacock, of McGill University, as a Lecturer by the Rhodes Scholarship Trust and his subsequent visit, commencing in April, to England, Australia, South Africa, and New Zealand. He did not return until the close of the year, and during that time spoke on conditions and problems in most of the centres of the Empire—much as Dr. G. R. Parkin had done some 20 years before. Dr. Leacock had, in 1906, delivered several trenchant and clever speeches in Canada upon this general subject, and on Feb. 25th, 1907, before leaving on his tour of the Empire, he attracted attention at a Montreal Insurance banquet by declaring that the time had come for Canada to take a national position as the possibly predominant partner in the Empire of the future and to make an immediate offer along defence and constitutional lines. England at the time of Nelson, he pointed out, only had a population of 6,000,000 people.

At a special dinner of the Empire Club, in Toronto, on Mar. 19, Dr. Leacock made a vigorous and urgent appeal for a united Empire, for Canadian participation in its defence and government, for a greater Canada. To the coming Conference he appealed: "Find us something other than a mere colonial stagnation, something sounder than independence, nobler than annexation, greater in purpose than a Little Canada. Find us a way. Build us a plan that shall make us, in hope at least, an Empire permanent and indivisible." His first address in England was before the Victoria League, with Lord Strathcona in the chair, but the matter which created most interest at this time was his article in the London *Morning Post* on "John Bull and his grown-up Sons." Caustic, clever and American in its style of criticism, it attracted instant attention. Dealing mainly with the fiscal issue, the conclusion was as follows: "The old man's got old and he don't know it; can't kick him off the place; but I reckon that the next time we come together to talk things over the boys have got to step right in and manage the whole farm." Comments were severe in many English papers, and the humorous side of the article did not appear to appeal to his audience. Mr. L. V. Harcourt, a member of the Government, referred to it as offensive twaddle, and Canadian papers such as the Winnipeg *Free Press,* Montreal *Witness,* and St. John *Telegraph,* were unsparing in their criticisms. In Melbourne, Australia, Dr. Leacock delivered an address on "Democracy and Imperialism," which concluded as follows:

> There is no *prima facie* conclusion in favour of what we generally think of as untouchable Colonial autonomy. There is absolutely no final fixed statement that the Colonies and the Mother-Country must never move nearer towards one another. It is possible for a man who is an

Imperialist to advocate a new form of imperialism without his being an anti-democrat in any bad sense. When I say that I am an Imperialist I refer to a revision of the Governmental relations between part and part. I find nothing in that contrary to the ideas of human justice or of justice from community to community. We have come to a time in the history of our Empire when we must take serious thought of these things. Over and above the turmoil and fret of the political issues of the day there are questions upon the proper answer to which depends our safety and our common political salvation.

On Feb. 11 the House of Commons took up and discussed at length a Resolution presented by Colonel Sam Hughes (Cons.) in the following terms: "That in the opinion of this House the interests of Canada and the British Empire would be best served by a full partnership union between Great Britain and her Colonies." The speaker contended that there had of late been a great growth of Canadian sentiment in favour of such a union; declared that present conditions could not continue and that an independent Canada would soon be absorbed by the United States; explained his scheme of representation and appealed to the Prime Minister to crown his career by accepting this great policy. Mr. Thomas Chisholm (Cons.), of East Huron, seconded the motion in a semi-historical speech of considerable interest. Mr. C. R. Devlin (Lib.) opposed the idea and declared a Canadian to be greater than a Roman citizen or a British subject; Mr. E. D. Smith (Cons.) supported the principle of closer unity and urged organization and solidarity as better than mutual good-will alone or than the existing loose system of voluntary action; Mr. W. F. Maclean (Ind.-Cons.) took the following line: "Canada should define her own citizenship, Canada should make her own treaties, Canada, eventually, should select her own chief magistrate, be he king or president. I have no hesitation in laying this down as my belief in regard to Canada's future and her connection with the Empire. Canada must steadily advance along the line of nationality upon which she has now entered, and she must not be afraid to think about her own defence, her own fighting men, and her own ships." Mr. R. S. Lake (Cons.) declared that "the maintenance and consolidation of the British Empire should be the first aim of all political parties and of all citizens"; Sir Wilfrid Laurier stated that Canada had no Empire grievance, that change without cause was not the historic principle of the race, and that when the time came, if it ever did, when existing relations were unsatisfactory, the subject might be more usefully discussed; Mr. R. L. Borden expressed the view that the greater the self-governing powers of the Colonies the more need there was to discuss this question, that the power, influence and prestige of the Crown throughout the Empire was steadily increasing, and that the closer relations which he did not doubt will come would arise "by a process of growth and development and not by any process of manufacture." Colonel Hughes then withdrew his motion.

In London, on Mar. 1, a personal tribute was offered to Sir Charles Tupper by Canadian and other friends in England in the form of a painting of himself as he was when High Commissioner for Canada. Lord Strathcona made the presentation with a graceful reference to Sir C. Tupper's services to British diplomacy, to Canada, and to the Empire, to his place in Canadian history and Empire unity, to his powerful personality and enthusiasm of character. Sir Charles, in his subsequent *Nineteenth Century* (May) article on "Empire Building," showed all his old constructiveness in thought, and courage in argument. An interesting incident in Montreal was the St. George's Society banquet on Apr. 23, when Chief Justice H. T. Taschereau presented an eloquent history and characterization of the English Saint, and L. G. A. Cresse, K.C., another French-Canadian, dwelt at length upon the liberty, greatness and beneficence of British institutions. "Let us," he exclaimed, "raise our flag, our glorious Union Jack, and let it wave from sea to sea. The sons of Canada will guard it." On May 24th, at Montreal and in presence of a great crowd, Chief Justice Fitzpatrick, Administrator of the Dominion Government in Lord Grey's absence, unveiled a local monument to Lord Strathcona, to the troopers whom he had sent to South Africa, and to the Canadian contingents in general. Principal Peterson, of McGill, presided. The Chief Justice, in an exceptionally eloquent speech, declared that: "This monument will tell the generations that are to come after us that Canadians volunteered for service in South Africa to affirm the great principle that the Empire is one and indissoluble; that our Sovereign can command the willing allegiance and the loyal service of all those who live under the British flag; that we owe something more to our country, as Lord Rosebery puts it, than rates and taxes. If I might paraphrase Wordsworth, it will teach our successors that in the hour of danger there is to be no parleying, that there is to be but one breath, and that we are all one from shore to shore." An unusually impressive speech was delivered at Picton, Ont., on June 12, by the Hon. R. P. Roblin. In it the Prime Minister of Manitoba addressed the people of his birth-place upon themes wider than the Province which he had come to rule and Imperial in their scope and character. An Imperialist himself, and a strong believer in the Chamberlain policy, he put the situation as one which Western immigration and foreign population would make increasingly difficult:

> The Western Canadian farmer has no preference, he gets no consideration in the markets of the United Kingdom as against the products of foreign countries, and the intelligent men of this class will naturally ask, and they are already beginning to inquire, what purpose, what object, is being served by a continuation of the relations that exist between Canada and the United Kingdom if we cannot get any consideration that a foreigner cannot get. They are beginning to argue that if Canada had the power to make an absolute and independent treaty of her own, without regard to British interests, trade matters—matters of commerce and finance—could be developed along channels and in lines that

at present appear to be blocked. The United Kingdom appears to be as indifferent to interests of the Colonies and her own interests to-day as she was when Grenville put his offensive and obnoxious stamp duties upon the British statute-book. And the errors and mistakes that were made at that time, and were so costly, may be repeated; because the conditions in Canada to-day, to say nothing about the future, are not so favourable as they were at that time for British connection, because of the mixed population.

The question of British diplomacy as seen in journalistic fiction, in school-boy histories, in political prejudices, or in genuine convictions based upon what has become a tradition in Canada, came up frequently during the year as a subject of discussion. The recrudescence of the question was caused by the talk of Canada's responsibilities in the Empire, by irritation expressed in Australia over the New Hebrides Convention and in Newfoundland over the Fisheries issue, and was based, primarily, upon Alaskan memories. Great Britain a responsible nation with world-wide interests; the Colonies irresponsible peoples thinking chiefly of local concerns—such was the problem. Speaking at Ottawa on April 2, during a banquet to Mr. Bryce, British Ambassador to the United States, Sir Wilfrid Laurier was both explicit and severe in his condemnation of Great Britain along these lines: "Mr. Bryce has been on this continent but a few weeks and it is nothing but the literal truth to say that he has turned a new leaf in the history of the Continent of America. We have to realize that John Bull has not always done his duty to his Canadian son. If we take all the treaties from the Treaty of 1783 up to the Treaty of 1903, we Canadians do not feel particularly cheerful over the way we have been treated by the British plenipotentiaries." To these remarks and to varied editorials along a similar line, Mr. Bryce made a very direct reference in his Toronto speech on Apr. 3rd: "I will ask you to suspend your judgment upon all these questions in which it is alleged that British diplomacy has not done its best for you. In these matters you have only heard one side of the case, and I feel it is my duty to my country and to the Government which I represent to tell you this, and that I believe you are entirely mistaken if you think that British diplomacy has been indifferent to Canada or has not done the best it could for Canada."

At the Manufacturers banquet in Toronto, on Sept. 26, Mr. G. T. Blackstock, K.C., made a powerful appeal for closer unity in defence and representation, in responsibility and burdens, in organization and strength, in peace and war. Sir Wilfrid Laurier, in responding, presented his well-known views as to the contentment of Canada, the militarism of Europe, the liberties of the Empire, and then proceeded as follows: "We take the record of the diplomacy of Great Britain in so far as Canada is concerned, and we find it is a repetition of sacrifices of Canadian interests. We have suffered on the Atlantic, we have suffered on the Pacific, we have suffered on the Lakes, we have suffered wherever there has been a question to be discussed between British diplomats and

foreign diplomats. Well, then, we have come at last to the conclusion that upon this point also, in our relations with foreign countries, we would do better by attending to the business ourselves rather than having it trusted to the best men that can be found in Great Britain." There was a breeze of controversy over this utterance, but more in the British than the Canadian press. Though much historical data might be brought to bear upon the other side of the question, yet the Premier unquestionably embodied the average Canadian feeling or prejudice in the matter. The *University Magazine* of Montreal took up the subject as a whole in a series of able articles which helped to show the two sides to the question, and one, in particular, by Dr. Andrew Macphaill, which reviewed England's complicated history of diplomacy, war and responsibility. As an illustration of the popular discussion of this subject it may be said that the Chairman of the McGill students' banquet in Montreal, on Jan. 29th, summed up the Ashburton Treaty question as involving the giving of $15,000,000 worth of Canadian land to the United States—oblivious of the fact that Nova Scotia did not belong to the Canada of those days and that the territory was at that time worthless. The Hon. T. Mayne Daly, of Winnipeg, at a banquet, on May 9th, went so far as to speak of the "bungling and ungrateful and neglectful conduct and incapacity of the English statesmen who ruled England in the early days of Canada"—the time of Pitt, Canning, Wellington, Grey and Peel, of Palmerston, Huskisson, Bathurst and Goderich and many more!

Independence was not an issue of the year in any sense but Mr. Maclean's approach in Parliament toward the idea was shared in by the Ottawa *Free Press* (Feb. 13). It was voiced to some extent in a speech by Mr. Justice Longley at the Mining Society banquet in Halifax on Mar. 27, when there was quite a scene and the audience as a protest joined in singing "Rule, Britannia"; while the speaker afterwards "explained" in an English paper that what he wanted was "political autonomy and a close alliance with the Empire." Mr. J. S. Ewart, K.C., of Ottawa, in articles and Canadian Club addresses, advocated some peculiar form of independence with the King as the sole link of union and with personal opposition to tariff preferences, defence contributions, or constitutional representation. He asked in the Queen's University *Quarterly* of October the question: "Shall Canada forever be content to wear the halter" of British Connection? and, in an address to the Canadian Club of Ottawa on Dec. 14, he labelled the future as one of "complete independence under the British Sovereign as King of Canada." To this view the Montreal *Star* of Dec. 7th replied that "Canada's obvious future lies inside the British Empire as a full partner assuming more and more of the burdens and sharing more and more in the power."

Incidents of the year along lines of Empire thought included a Report on Jan. 15 of the Ottawa Board of Trade urging public

support to the movement for an Imperial Cable system and an Imperial Intelligence Bureau; Mr. Bruce Walker's efforts in London to encourage the interchange of correspondence between children in British and Canadian towns of the same name; the reference made by Hon. J. P. Whitney, Premier of Ontario, at a University banquet, on Feb. 8, to the debt owed by Canada to British protection and defence and civil liberty and to his fear that the people might become so familiar with peace and happiness as to forget the source and their own responsibilities; a series of addresses in Vancouver by Sir Hibbert Tupper before the local Daughters of the Empire on Imperial subjects; the decision of the Orange Grand Lodge of Ontario East that in future all its processions must be headed by the Union Jack; the annual meeting of the Daughters of the Empire in Toronto on May 15, which reported 13 new chapters, a total number of 101, and re-elected Mrs. S. Nordheimer, President; a meeting of the Methodist Conference of Manitoba on June 18, at which the Rev. J. W. Churchill urged its members to "put the Union Jack on the walls of your Sunday Schools, drape it on your pulpit and place your Bible upon it, for the Union Jack stands for something. Drill patriotism into the children; a man who is not patriotic is not a thoroughly good man."

At Cayuga, Ont., on June 22nd, a statue of William Knisley, killed in the South African war, was unveiled before a large crowd and with patriotic addresses; Mr. W. D. Lighthall, K.C., published in the Montreal press of June 28 a narrative of his efforts early in January, 1901, to end the war by proposing Sir Wilfrid Laurier as mediator between the Boers and the British; the St. George's Society of St. John on July 9 passed a Resolution asking that the Union Jack be flown daily on all public buildings; the Hon. C. H. Mackintosh contributed a series of articles on the Economics of the Empire to the Vancouver *Province* of Aug. 10, 24, 31, Sept. 14 and Dec. 7; the presentation of a flag to the Masonic Lodge, *Zetland,* in Toronto on Sept. 27, was the scene of an eloquent address on the Union Jack by Mr. J. Ross Robertson; a series of addresses, beginning on Nov. 28, were given at McGill University by Mr. E. B. Sargent, an educational authority from South Africa, upon Empire co-operation in Education; the Public School Board of Vancouver in November ordered the raising and lowering of the flag to take place daily at the opening and closing of the schools; speaking in Toronto at the annual Dinner of the University, over which he had recently been called to preside, Dr. R. A. Falconer declared that the toast of Canada and the Empire should be really reversed: "For while they were true Canadians, they were also children of a great past, and were proud of the ideals which had made it." On Feb. 7 an address was delivered in Toronto by Dr. D. M. Gordon, Principal of Queen's University, Kingston, on an Imperial Intelligence Union.

VIII.—CANADIAN FOREIGN AFFAIRS

The Japanese Royal Visit to Canada

Canadian relations with Foreign countries assumed a phase of very distinct and rather peculiar importance during 1907—a position in which the Dominion acted as a sort of national partner in the Empire so far as control of negotiations and policy was concerned; with all the prestige of Imperial power behind her but without the responsibilities of an independent position. The first country with which its relations were prominent in this connection was Japan and the first incident in the new development was the State visit of H.I.H. Prince Fushimi, G.C.B., cousin of the Emperor, and a soldier of distinguished service. His coming was intended to be a mark of the close and cordial relations existing between these Empires of the East and West. The Prince was preceded by some others—Baron Ozawa, the Emperor's representative at an International Red Cross meeting in London, who passed through Canada in May; General, the Baron Kuroki, who, with his staff, landed at Victoria on May 1st and was warmly welcomed on his way to the Jamestown (U.S.) Exposition; Admiral Yamamoto, another conspicuous figure in the Russian war, who reached Victoria on July 23rd after a visit to Montreal and other points.

The Canadian tour of Prince Fushimi was a part of his official visit to London on behalf of the Emperor of Japan and in return for the special mission of Prince Arthur of Connaught to the latter country in 1906. While in Canada he was the guest of the Dominion Government and, at Quebec on June 7th, at Levis on June 8, at Montreal on June 8 and 10th, at Ottawa on the latter date, at Toronto on the 12th, at Winnipeg on the 15th, and at Vancouver on the 22nd, the Prince was accorded special Guards of Honour, while the Japanese national anthem was played by military bands and Royal Salutes were fired upon his arrival at Quebec and his departure from Vancouver. His Imperial Highness was accompanied by a large suite of Japanese notabilities and Secretaries; at Quebec he was received by H.E. the Governor-General, entertained by Sir Louis Jetté at Spencerwood and presented with a Civic address of welcome by Mayor Garneau; in Montreal he was entertained by the Mount Royal Club, Sir W. C. Van Horne and Sir Montagu Allan, and presented with a Civic address; in Ottawa he stayed at Government House, received a Civic address presented by Mayor Scott, visited the Experimental

Farm and other points of interest, and was the guest at a State dinner given by His Excellency.

After a trip up the St. Lawrence from Brockville (where a cordial welcome was offered), through the Thousand Islands to Kingston, where a visit was paid the Royal Military College, Niagara Falls was reached on June 12; in Toronto the Prince was welcomed with decorations and cheers and entertained at a garden party and Dinner by Sir Mortimer Clark; in Winnipeg an automobile drive around the city, a visit to the Horse Show and the Ogilvie Mills, a Dinner at the Manitoba Club presided over by Mr. D. W. McDermid, and personal entertainments at Government House by Sir D. H. McMillan, marked the visit; Regina was gaily decorated as the train passed through on the 17th, and at Brandon, Moose Jaw, Gleichen and other Western points crowds were in attendance to cheer the visitor; at Calgary a motor trip to see the famous hackney horses of the Rawlinson ranch, a local game of polo, and luncheon at the R.N.W.M. Police Barracks were the events of the day; the 19th was spent at Banff, and on June 22nd an enthusiastic welcome was given at Vancouver by a crowd estimated at about 15,000, of whom fully one-half were Japanese. This reception included varied decorations, a Japanese procession, patriotic songs and oriental fireworks. A visit was made to the Pacific Coast Lumber Mills and to Stanley Park, and Victoria was reached on the afternoon of the 23rd. The original intention had been to leave by a steamer from Seattle, but "as a mark of his personal friendship and high esteem," the King had placed a British warship (H.M.S. *Monmouth*) at the disposal of the Prince and he, therefore, sailed from Esquimalt on the 24th after a welcome in Victoria which did not lack crowds and decorations and included a short stay at Government House with Mr. Dunsmuir. In leaving Canadian shores His Imperial Highness sent the following message to Sir Richard Cartwright, acting-Premier at Ottawa:

> The moment of departure from the shores of Canada having now come, I hasten to express to you my warm thanks for the generous and hospitable manner in which the Government of Canada have entertained myself and my suite during my stay in this country. I have found my visit instructive and interesting, even beyond my anticipation. It is my earnest desire that the bonds of friendship between our two nations may ever be drawn tighter, and that the cordial sentiments so happily existing at present may continue for all time. I have been much impressed by the enthusiasm of the reception accorded to me by all classes of the community, and by the good-will towards Japan which so evidently exists. My hope is that the Canadian people may prosper in the future as they have done in the past. (Signed) Sadanaru Fushimi.

Incidents of this Royal visit included a gift to local charities in Victoria through the Governor-General and the bestowal of the 2nd Class of the Order of the Sacred Treasure upon Sir T. G. Shaughnessy, that of the Rising Sun (3rd Class) upon Mr.

Joseph Pope, C.M.G., who accompanied the Prince across the continent, upon Captain D. O. C. Newton, A.D.C. to the Governor-General, and upon Sir Montagu Allan, of Montreal. The Intercolonial, the Grand Trunk and the Canadian Pacific made elaborate arrangements for the comfort of the visitor throughout his tour and many of the stations were specially decorated with Japanese flags. Orders were issued at Brockville that only the Canadian portion of the Thousand Island route was to be visited and some offence was expressed in United States papers at this intimation; while the Prince informed the Civic authorities at Montreal, in replying to their address, that he was making the entire circuit of the world under the British flag.

The Japanese Treaty and the Canadian Problem

When Lord Lansdowne negotiated a Treaty of Eastern Alliance with Japan, and combined the great interests of Britain in the East with the growing strength of the chief Oriental nation, little but approval was heard from Canada, and when the Dominion Government presented to Parliament and carried, with very slight opposition, the special inclusion of Canada in the commercial part of this Treaty few criticisms were heard. Japan had become one of the great Powers of the world with an estimated wealth of $9,000,000,000; an expenditure upon its army and navy of $90,000,000, and total revenues of over $300,000,000; and a foreign trade of $420,000,000, of which one-fourth was with the British Empire. Its alliance was valued and its goodwill and commercial friendship were alike important. Replying, on Jan. 5, 1907, to a protest in the Commons from Mr. J. B. Kennedy, of British Columbia, against the acceptance of the Treaty, the Prime Minister of Canada said:

> There is not only in British Columbia, but in every Anglo-Saxon community, quite an aversion to any kind of Asiatic labour. I would, however, observe that so far as Japanese labourers are concerned, my Hon. friends will agree with me that for the last five or six years there has been no Japanese immigration, to speak of, into British Columbia. Some few years ago, when we increased to $500 the poll-tax which had been in existence for many years against Chinese immigration, we persistently refused to extend the same prohibition against Japanese immigration. The reason which we gave at that time was that Japan was an ally of Great Britain and we could not treat the Japanese as we had treated the Chinese population. This was accepted by British Columbia itself, and I may say that our task in that respect was made easy because the Japanese Government has restricted the emigration of their own people. At the present time the Japanese Government do not allow emigration from their own provinces with the exception of a very few from each Province. I think it is not more than four or five from each Province; that is all that the Japanese permit to leave the Empire of Japan and therefore, practically, there has been no emigration to British Columbia from that country.

Then came the visit of Prince Fushimi and a cordial though not enthusiastic reception from the press. Meanwhile, however, British Columbia had been evolving a new phase of its Labour

problem. The competition of the Chinese had ceased to be a bugbear since the imposition of the $500 head-tax; the coming of the Hindus could not be made a serious matter as the influx was very small and the competition slight; the coming of the Japanese was looked upon very differently when it was found, later on in this year, that thousands were migrating from or through the Hawaiian Islands and landing at Victoria or Vancouver with a promise of many more to follow. Into the politics of Canada and the Empire; into the relations of Great Britain and Japan; the issue was at once projected. It was further complicated by the controversy between the United States and Japan and the intrusion of Pacific coast American ideas, as to racial and cheap labour, into the affiliated labour organizations of the Canadian Province. Though the total number arriving in the year ending Jan. 15, 1907, was only 3,004, and from that date up to Dec. 16th, 7,358 more,* and though one-half of these were in transit to the United States, yet the press and speakers of British Columbia, with certain exceptions, swept the whole gamut of possibilities involved in a racial invasion and overwhelming Oriental influx upon the shores of the Pacific; in the necessity of keeping Canada a white country and preventing a lowering of the standard of life and living; in the intensity of racial feeling on the coast and the cheapening of labour; in the unfair competition offered by the coming of such an alien or "inferior" people. There was, of course, no doubt that amongst the two or three hundred thousand people of the Province it would not need a very large influx of Japanese to make an appreciable difference in conditions; on the other hand the encouragement of English immigrants would have met the situation, but this was not acceptable to the Labour unions and was not vigorously pressed as a Provincial policy.

During July several ship-loads of these people arrived at Vancouver, and early in August Mr. R. G. Macpherson, M.P., telegraphed Sir Wilfrid Laurier that 4,000 had arrived since January, that 233 came in the preceding week, and that 2,000 more were on the way from Honolulu. According to figures given the Department of Trade and Commerce at this time by the Consul-General of Japan at Ottawa a total of only 3,334 immigrants from Japan had arrived in British Columbia during the year and of these only 641 had remained in the Province. There were, he added, 3,000 naturalized Japanese in British Columbia. Writing earlier in the year (March) to the Toronto *Monetary Times,* Mr. Nosse had made a strong presentation of the possibilities of the Oriental trade which was opening up to Canada (in this agreeing with Earl Grey's speeches of 1906) and urging liberal treatment of the people who were coming in to help and develop this business of the future. As to the Japanese in the Pacific Province he described them as excellent citizens. "They

* Note—Hon. F. Oliver, Minister of the Interior, in House of Commons, on Dec. 16, 1907.

have their own Christian church in Vancouver, and missions in Victoria, Nanaimo, Steveston and other places. They have their own hospital at Steveston, during the summer, to attend to their fishermen. They have their own school for children, engaging English teachers. They contributed towards alleviating distress caused by the great fire at Hull, Ont. They offered to the Dominion Government to send a contingent of Japanese young men to South Africa with the Canadian boys." In this connection, on Aug. 7, Mr. W. T. R. Preston was at Tokio with official letters from Ottawa and, through the aid of the British Ambassador, conferred with the members of the Japanese Government as to the development of closer trade relations between Canada and Japan. Meanwhile, on July 8, M. Kieki Yiro Ishii, of the Tokio Foreign Office, had proceeded to Canada and the United States in order to study local conditions and ascertain the cause of the growing trouble. Such was the general situation when Vancouver precipitated trouble in its riotous haste.

The Vancouver Riots and Canadian Public Opinion

As the months had passed a portion of the public in British Columbia became more and more inflamed against the Japanese. It was a minority of the people, but it was a very noisy one. Unlike the Chinese these new settlers were not submissive and they threatened to take root in the country; they were strong men physically though small in stature and they had the personal confidence which national greatness often gives and the assertion of which, to some extent, might have been deemed excusable in such a new-born people; they were in contact with Canadians also more or less aggressive in character; they were in competition with some American labour interests which combined the characteristics of the continent with a certain inborn hatred of coloured races; very often they out-worked the white man and certainly lived more cheaply than he did, though it was not proved that they really underbid him much in the matter of wages; they had acquired control to a considerable extent of the fishing interests of the Pacific coast; they created alarm in the matter of defence amongst people whose sympathies were American rather than Japanese and whose feelings favoured a United States alliance rather than that of Britain with Japan; they aroused racial fear amongst many who were not specially concerned in the labour question as to how far the immigration might result in a Japanese rather than a white Province.

On Aug. 12th an Asiatic Exclusion League was formed at Vancouver in the Labour Hall. Some 400 men were present, with Mr. J. P. McConnell, of the *Saturday Sunset,* as Chairman, and a strong Resolution, moved by Alex. Gilchrist, President of the Liberal Association, and seconded by C. M. Woodworth, President of the Conservative Association, was passed unanimously. It declared that the Japanese were exceedingly aggressive, that unless

checked they would "ultimately control this part of Canada," that an alien race would thus obtain a foothold difficult to dislodge and dangerous in time of war, and that when the Japanese became merchants and manufacturers as well as labourers their continued ingress could only be prevented by a rupture of peaceful relations with Japan. Mr. R. G. Macpherson, M.P., appealed for support at Ottawa in some action which would prevent the Pacific coast being "flooded with Asiatics." The Fraser River fisheries, said other speakers and writers of the moment, were now in the hands of the Japanese; so were the saw-mills, the shingle mills and most of the lumber-camps. There was little question as to the position of the Labour unions in the matter. They were at one with the Exclusion League and were in constant touch with similar organizations in Seattle, San Francisco and other United States coast cities.

So strong did the feeling become that the other side of the situation—the pandering to political labour agitators, the undeveloped farm lands, and fisheries, and forests of the Province, the almost prohibitory cost of domestic Chinese service, the absolute lack of white servants, the obligations of British Columbia as a participant in Dominion and Imperial treaty interests, the possibilities of international complication—found most inadequate public consideration. Visitors from all parts of Canada and various British countries were in the Province during the year and their opinions seemed almost unanimous as to the prosperity of British Columbia, as to the greater possibilities before its people, as to the necessity of more population and of an adequate supply of labour. "Cheap labour and cheap coal" was the urgent advice of Mr. A. M. Samuel, an English banker, in the local press of Sept. 4. "My honest opinion is that organized white labour is very shortsighted in opposing the immigration of cheap oriental labour. In a new country somebody must do the spade work and this especially applies here where there are, admittedly, insufficient white men for manual labour." Of course, this sort of opinion was only fuel to the fire. Political delegations went to Ottawa; and Mr. R. G. Macpherson tried to lead a wider public opinion by declaring the Japanese Government to be behind the "invasion" (Toronto *Star,* Sept. 7) and to be sending able-bodied and picked men to take possession of the country. He even talked about 100,000 people coming in who could not be assimilated with the white race. To the Labour Congress at Winnipeg Mr. R. P. Pettypiece, the Vancouver Socialist, described the corporations, the combines, and the employers as being at the back of the migration, and this was the view taken by that organization as a whole.

On Sept. 8th the agitation within and the influences without culminated in a riot at Vancouver which constituted an international event of some interest. The Asiatic Exclusion League had

ordered a parade after holding a series of meetings in the days immediately preceding the Saturday in question. Labour agitators from the United States cities, as well as local speakers, were more or less prominent in these gatherings, and when the parade on the 8th reached the City Hall, where preparations were made to burn an effigy of Mr. Dunsmuir, the Lieut.-Governor—a wealthy mine-owner and large employer of labour—A. E. Fowler, Secretary of the Exclusion League of Seattle, addressed an inflammatory speech to a great crowd in the very light of the flames from the burning figure. According to the *Oregonian,* of Portland, F. W. Cotterill, President of the Washington State Federation of Labour, and G. P. Listman, another Seattle Labour leader, were also present. The curiously-mixed nature of the demonstration was seen in the fact of the band at the head of the procession playing "Rule, Britannia," and of the speakers who addressed the crowd including the Rev. Dr. Fraser, Rev. G. H. Wilson, C. M. Woodworth and J. E. Wilson, a New Zealand visitor, as well as the Seattle agitator. Resolutions were passed denouncing the Lieut.-Governor for refusing assent to the Natal Act legislation of the last Provincial Session and calling on Mr. Premier McBride to resign. Then the crowd turned into a mob, the police acted in some mild and innocuous fashion, the Chinese quarters were invaded and more or less injured, the Japanese quarters were visited and after considerable damage had been done and only a passive resistance offered for a time by the Japanese—on the earnest plea of the seemingly-helpless police—an end suddenly came to the endurance of the sturdy little brown men and they turned on the mob with disastrous results to the latter. Armed with sticks and bottles and even knives, they made the rioters flee in short order, and in five minutes the streets were cleared to the sound of triumphant "Banzais." It was then Sunday morning and after five hours' possession of the streets, the mob had been scattered with a result of damage done to some 56 stores, several fatalities incurred, and a number of arrests finally made.

During Sunday the mob tried to re-assert its sway, but the Japanese were ready for them, patrolling the streets in their special quarters with revolvers and knives and acting, as they said, in place of the police. The crowd subsided for a time and a further attempt upon the Chinese was checked by the proper guardians of the peace. Following the riot there came a chorus of condemnation from the press of Canada. In London the newspapers deprecated such treatment of the subjects of an ally and, upon the whole, laid the blame upon international agitators and local Labour unions. The view of the Canadian papers generally was fairly well represented by the comment of the Victoria *Colonist* on Sept. 10: "Perhaps the first thought is of the deep disgrace that has been put upon the fair name of Canada, and the second is one of regret that the subjects of a friendly Power

and the ally of the British Empire should find that in any part of His Majesty's dominions their lives are endangered if they go about their legitimate business. Under the laws of Canada a Japanese has as much right to be in Vancouver as any man. He is entitled to all the protection that the law can give him." Mr. R. G. Macpherson, M.P., voiced the heated atmosphere of the Labour halls and Exclusion Leagues in telling the Montreal press the day after the riot that: "If the Federal Government does not step in and put a stop to the already humiliating state of affairs in British Columbia, with regard to the present influx of Asiatics, there is going to be another episode like the Boston tea party and something has got to be done, and done quickly, to stop this thing."

The outsider in these cases often sees the real issue most clearly and the opinion of some visitors regarding the situation may be referred to here. Mr. E. F. B. Johnston, K.C., of Toronto, told *The Globe* of Sept. 13 that: "I am strongly in favour of giving Canadians all reasonable labour protection, but I cannot assent to the proposition that the demands of any particular class must be granted, regardless of consequences to the country at large. The present condition on the Coast is largely or entirely due to the exigencies of local politics and the misguided followers of a few bosses who are not anxiously engaged in looking for employment." About the same time Mr. J. T. Clark wrote in Toronto *Saturday Night,* after a visit to the Coast, that the problem was a double one—the aggressive, efficient, ambitious work of the Japanese accentuating the racial feeling. "Organized labour in the Pacific Provinces wants the Chinese excluded, the Japanese excluded, and the Hindus excluded, and no white labour imported from Europe. In a country such as theirs, situated as it is, they cannot permanently succeed in all these points. The fisheries, mines, railways, orchards and domestic service of the Pacific slope must have men from some source." The Rev. J. L. Gordon, of Winnipeg, visited the Coast at this time, and told the press on his return that the Treaty with Japan was the best thing England ever did; that the feeling against Colonial races was anti-Christian; that the Jap was a coming man and a good settler and citizen.

The Rev. Dr. Robert Johnston, of Montreal, who was in Vancouver during the riots, told the Winnipeg press, on Sept. 20, that: "There is no doubt that the feeling on the Coast with reference to the question of the admission of the Orientals is intense, but I do not believe that it is so intense or so universal as the newspapers of the province would lead one to suppose." Mr. Kipling's opinions have been referred to elsewhere. The Rev. Dr. W. T. Herridge, of Ottawa, after saying (Oct. 31) that the remedy for these troubles lay in promoting British immigration, added: "If the Hindus and Japanese are satisfied to brave the rigours of our climate—the one are our fellow-subjects and the others belong to a race with which the British Empire is in alli-

ance—a dash of Orientalism will not hurt us. On the contrary our turbid Western life will be all the better for an infusion of the repose of races whose civilization is much older than our own, and whose non-progressiveness is by no means so marked as we had once supposed."

From the employers' standpoint Mr. D. D. Mann told the Winnipeg press on Sept. 13 that Asiatic labour in British Columbia should either be controlled or excluded. He favoured the former under "stringent, wise and legal regulations." Mr. C. M. Hays told the Vancouver *Province* on Sept. 21st that: "We shall only be too glad to employ any kind of good labour that we can get. In fact, we shall not have the slightest objection to hiring any class of people the Government is willing to admit into the country." Senator G. A. Cox stated to a Calgary audience on Oct. 4 that if the Grand Trunk Pacific could get more labour it would be pushed ahead more rapidly. "There was $17,000,000 or $18,000,000 lying in deposits in the banks of the Old Country waiting to be spent on work on the Grand Trunk Pacific, but they could not get enough men." Mr. Alex. MacLaren, the lumberman, said to the Winnipeg *Telegram* on Oct. 22 that:

> We employ Chinese, Japanese and Hindus in our mills. We are forced to employ this outside labour, for there is very little common white labour to be had and what there is is little better than the hobo type. What I mean is that they will work a little while, just long enough for us to get them broken in to their work, and then they will move on to some other job. On the other hand, we have the Oriental day in and day out. He does his work well and we have no trouble. They are living in houses that we have built for them, pay their rent regularly and, usually, the Chinese and Japanese are far more cleanly than the common white labourers. We have Chinese and Japanese that have been in our employment for seven years, some of them having been home in Japan and back again. If any of them want to get away for a while they arrange to have someone else to take their places and show some consideration for the interests of their employer. White men are holding all the important and high-wage positions in our mills. These men are all right—they are the skilled labourers—but it is the common white labourers that we have got that are no good.

Much was said as to the United States origin of the troubles in Vancouver. Sir Charles Tupper, in several press interviews, described the outbreak as due to influences from the other side of the line. The Rev. Dr. E. D. McLaren, of Toronto, in returning from the Coast, told *The Globe,* on Oct. 1, something of general conditions and then added: "This was the situation which agitators from the United States made skilful use of, appealing to the anti-foreign sentiment which has always been a factor in the industrial life of the Pacific seaboard, and finally bringing about a disgraceful riot in the City of Vancouver." One of the speakers on the eve of the riot (Rev. Dr. Fraser) preached a sermon in his Vancouver Church on Oct. 6 and, as "an American citizen," declared his opposition to the landing of one Oriental or a million,

denounced "the greed, vice and ambition" of the Asiatic, and pretty well indicated his Foreign viewpoint by adding: "We are vassals of Britain and England runs things in the Dominion of Canada pretty much as she pleases."

The Seattle and San Francisco newspapers seemed to agree in stating that the leaders of the movement came from those cities, while Mr. F. C. Wade, K.C., of Vancouver, told the London *Chronicle* a little later that: "Unquestionably the whole of the violence against the Oriental came from the Labour element alone, and was engineered from the United States. The chief speakers at the mass-meeting in Vancouver which preceded the riot were E. A. Fowler, of Seattle, Secretary of the Japanese-Korean Exclusion League, and W. A. Young, of Seattle, an organizer of the American Federation of Labour. There is the closest possible union between the labour element in Vancouver and in Seattle and Bellingham, from which the Hindus were driven the other day." The Hamilton *Herald* described these American agitators as being used from higher sources to get Canada, and therefore, Britain, into the same boat with the United States in its quarrel with Japan. M. Kieko Ishii, the Japanese Commissioner as to the general question of Immigration, arrived in Vancouver, curiously enough, on the very day of the riot, and in press interviews after his return to Japan he described Mr. Fowler, the American, as the leader in the troubles, stated that there were only 180 police in the city and asserted that the 8,000 Japanese acted with propriety and resolution.

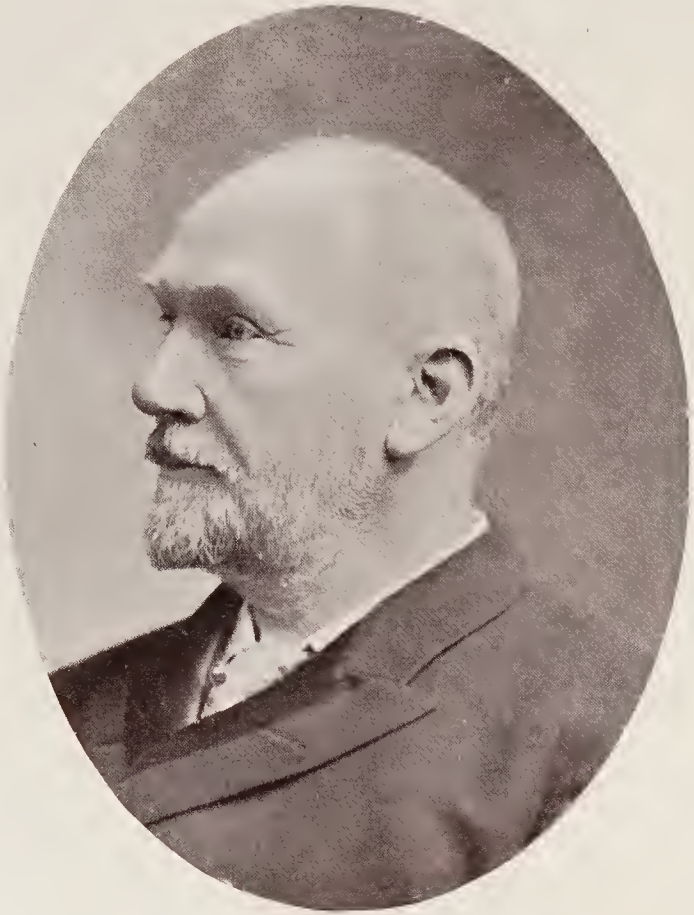
Three days after the riots Mr. Ralph Smith, M.P., of Nanaimo, threw light upon the situation by deprecating, in the Fernie press, certain local efforts to exclude English miners and declared a local Labour circular to that end to be misleading. On Sept. 19 there was trouble in far-away Atlin, on the British Columbia border of Alaska, with some Japanese miners whom the local men did not want. On Jan. 1, 1908, an echo of the Vancouver riot took place in an attack upon some firemen by a small Japanese mob with serious injuries to two of the former. A peculiar phase of the question was the tendency in some quarters to blame the Imperial Government for a Treaty specially negotiated and accepted by Canada's Government and Parliament years after it had been originally arranged by Great Britain without Canada's inclusion. Some of the papers in their first comments referred to the Treaty as if it had been accepted by Canada for Empire considerations. In the Resolution passed by the Dominion Trades and Labour Congress, on Sept. 17, the following extraordinary clause was put in the preamble: "Whereas, we believe that the best interests of Canada and the Empire will be served by respecting the autonomous rights of its component parts; and whereas, Canada has already done much for Imperial interests, as in the recent generous contribution on Canada's behalf made by Lord

Alverstone in the Alaskan Boundary award; and whereas, the continuance of the Japanese Treaty Act, 1906, means the depopulation of British Columbia of white people and possibly the loss of that province altogether to the Dominion of Canada," etc. This and other clauses dealing with Japanese competition, style of living, and danger to the future of British Columbia and of Canada, prefaced the following Resolution:

1. That we respectfully, but firmly, ask the abrogation of the Treaty so far as Canada is concerned.
2. That as a necessary preliminary to that end the Dominion Government be urged to immediately call upon the Imperial authorities to give the six months' notice required to terminate the Treaty with Japan.
3. That pending the termination of the Treaty the Japanese authorities be called upon to restrict the immigration of Japanese in accordance with the alleged Convention that not more than 400 or 500 be allowed to come to Canada during any one year.

Meantime the Canadian Pacific Railway had been encouraging British immigration to the Coast by a special rate of $40 from the British Isles to British Columbia. In August, Mr. Oliver, Minister of the Interior, had made a tour of the Province with a view to ascertaining how the demand for settlers and labour could be best met. Speaking to the press at Winnipeg, on Aug. 25th, he described the popular feeling as "panicky"; the people as fearing the movement and not understanding what was behind it; the Japanese Government as not being responsible for the migration from Hawaii. In this latter connection Judge Kingsbury, of Honolulu, told the Winnipeg *Telegram,* on Sept. 25th, that there were 70,000 Japanese settlers and workers in the Hawaiian Islands. On Sept. 27 the Canadian Manufacturers Association put itself on record against any hurried abrogation of the Canadian Treaty with Japan on the ground that large trade interests of the future depended upon that arrangement—beneficial to British Columbia as well as to the rest of Canada.

The Liberal Convention of British Columbia, which met on Oct. 2, passed a unanimous Resolution urging legislation for the exclusion of undesirable immigrants by both the Provincial Legislature and Dominion Parliament; should it be antagonistic to any existing Acts or Treaties such laws or Treaties to be abrogated at the earliest possible moment. A crowded anti-Asiatic mass-meeting was held at Vancouver on the 7th addressed by G. H. Cowan, K.C., W. W. B. McInnes, K.C., L. D. Taylor, and Rev. Dr. Fraser, in speeches of ringing denunciation which included Japanese immigrants, and those who encouraged or allowed them to come to Canada, within its terms of censure. It was an occasion of untrammelled utterance and wild applause. A Resolution was passed endorsing the recent Labour Congress and Liberal Conference Resolutions, demanding the passage of a Natal Act, and protesting against the sending of a Commissioner to Japan.



THE HON. THOMAS CRAWFORD, M.P.P.
Elected Speaker of the Ontario Legislature in 1907.

THE HON. CHARLES J. OSMAN, M.P.P.
Elected Speaker of the Legislature of New Brunswick in 1907.

On Oct. 3rd an Asiatic Exclusion League was formed at Victoria with Mayor Morley presiding over a crowded meeting. Rev. Canon Beanlands, in urging moderation, was hooted from the platform and Mr. Lindley Crease could not be heard. A Resolution was passed demanding the total exclusion of Asiatic labour. An attempt to form a League was made in Nanaimo on the 5th and a Resolution passed, in a stormy meeting, which condemned the policy of the Dominion Government, denounced the action of the Lieut.-Governor in employing contract Asiatic labour in his mines, and demanded the abrogation of the Treaty. At Calgary, on the 7th, a Resolution was passed by the Trades and Labour Council urging the same action and the exclusion of all Asiatics from Canada. On Dec. 10 the Vancouver Exclusion League demanded the removal of Mr. Dunsmuir from the position of Lieut.-Governor for his "unconstitutional and disloyal action" in bringing Japanese miners, through his Wellington Collieries Company, into the Province.

The Dominion Government and the Japanese Question

The riots in Vancouver had the effect of forcing the whole question of Japanese immigration to an issue at Ottawa. The honour of Canada was involved in the injury done to a friendly and allied people; the clauses in the Treaty, accepted by Canada, which gave equal privileges of residence in either country to the citizens of the other, had been broken. The Provincial authorities were not directly involved and the Municipal authorities of Vancouver hastened through Mayor Bethune to declare that they would pay no damages in the matter. The first step taken by the Dominion Government was in the following despatch to the Mayor of Vancouver: "His Excellency the Governor-General has learned with the deepest regret of the indignities and cruelties of which certain subjects of the Emperor of Japan, a friend and ally of His Majesty the King, have been the victims, and he hopes that peace will be promptly restored and all the offenders punished. (Signed) Wilfrid Laurier." On Sept. 16 the Prime Minister was in conference for some time with Mr. K. Ishii, the Japanese special Commissioner, and Mr. F. Nosse, the Consul-General of that nation at Ottawa. It was understood that he proposed an arrangement under which Japan should restrict emigrants to Canada within a specified number per annum. On Sept. 21 Sir Wilfrid Laurier replied to the Labour Congress Resolution which has been already quoted and, after a reference to Canada's full and free acceptance of the Treaty with Japan, as being given for purposes of trade and in response to popular desires, he proceeded as follows:

The Treaty has proved of great advantage and our trade with Japan under it has considerably increased. You base your appeal for the denunciation of the Treaty on the allegation that a crisis has arisen in British Columbia by reason of the unprecedented influx of Japanese. Whilst it

is true that most regrettable incidents have lately occurred in Vancouver there seems reason to doubt that the cause was the influx of Japanese, as I am in possession of a telegram from the Mayor of Vancouver, which has been rendered public, which expressly avers that the disturbances were directed against Asiatics generally, rather than against Japanese. Under such circumstances any precipitate action might be regrettable, and before committing themselves to such a course the Government think that they should carefully inquire into causes which, within the recent past, have caused a greater influx to our shores than previously of Oriental people.

This careful reply was warmly approved by various London and Canadian newspapers, while some Vancouver delegates at the Congress threatened a race-war if something was not done immediately. The Exclusion League of Vancouver waited upon Mr. R. L. Borden, who was then visiting the Coast, on Sept. 23rd. The Opposition Leader was informed that they wanted to exclude all Orientals and that the recent riot had been the work of hoodlums and small boys. In reply he promised careful consideration and a statement in his coming speech. On the 24th he reviewed conditions at length, described the Treaty arrangement of 1906-7 as "permitting the entire population of Japan to migrate to Canada if they desired to do so"; stated that Parliament and the Opposition had accepted the Treaty on Sir Wilfrid Laurier's assurance as to the limitation of emigrants from Japan; blamed Mr. W. T. R. Preston, Government Commissioner in the East, for at least a part of the influx; and added these words: "Let us respect the allies of Great Britain, but let us remember that there are other considerations beside trade relations and material advancement, and of much greater importance. We must not allow our shores to be over-run with Asiatics and become dominated by an alien race. British Columbia must remain a white man's country; the same blood must flow in the veins of those who build up Eastern and Western Canada as flowed in the veins of those who made Great Britain; and while we respect the grand old flag of Britain which floats over our heads, and are proud of her institutions and our loyalty, we must expect, and have a right to expect, the same measure of justice meted out to us as is meted out to any other part of the Empire."

On Sept. 26th the Premier dealt with the issue at a Manufacturers banquet in Toronto. After pointing out that Canada had originally gone into the arrangement with a view to helping Canadian trade and industry in the Japanese markets, and that the Government had understood the policy of Japan to be one of restricting its emigration, he spoke of the difficulty which had arisen in British Columbia. "What are we going to do under such circumstances? A section of the people in Winnipeg have called upon the British Government to annul the Treaty. Well, the Treaty has been in operation only two years. We are just commencing to reap the benefit and to denounce it would be

simply panic. And for my part I am not disposed, whether in this or any other action, to act in a panic. I want to look about, to inquire, to reflect, before I make up my mind." A Commissioner would, therefore, be appointed to look into the whole subject. Meantime Mr. W. D. Scott, Superintendent of Immigration, had been in Vancouver looking into matters, and on Oct. 2nd it was announced that orders given at that port forbidding the landing of Japanese from the Hawaiian Islands had been countermanded by the Dominion authorities as being a violation of the Treaty. A little later it was stated that the Hon. R. Lemieux would be Canada's envoy, or Commissioner, to Japan and that he would leave for Tokio on Oct. 24th accompanied by Mrs. Lemieux, his private Secretary, and Mr. Joseph Pope. The Imperial Government would, at the same time, be asked (according to a *Globe* despatch) to make, through the British Ambassador to Japan, the necessary formal arrangements to secure for Mr. Lemieux the status and courtesies accorded a representative of a foreign nation at Tokio. The Government Order-in-Council of Oct. 13th stated that: "The Right Hon. Sir Wilfrid Laurier recommends that the Hon. Rodolphe Lemieux, Postmaster-General and Minister of Labour, do proceed immediately to Japan to discuss the situation with His Majesty's Ambassador at Tokio and the Japanese authorities." It had been proposed by the Canadian Government that Mr. Lemieux should go first to London, but the Imperial authorities thought this unnecessary, and he was given a practically free hand to act with Sir Claude Macdonald at the Japanese capital. While these arrangements were pending Sir Wilfrid Laurier cabled to the latter on Oct. 12th as follows:

> The press has already acquainted you with the deplorable disturbances which have taken place recently in British Columbia directed against Asiatic labourers residing in the City of Vancouver. I am happy to say that the local authorities have taken prompt measures to restore order. At the same time it must not be forgotten that amongst the people on the Pacific Coast there are strong racial prejudices which, though greatly to be regretted, have still to be taken into account by all who desire to cultivate the best relations between Canada and the Orient.
>
> His Excellency the Governor-General and the Canadian Government will be pleased if you will convey to His Imperial Majesty, the Emperor of Japan, their very deep regret for the unfortunate occurrences at Vancouver in which the persons and property of His Imperial Majesty's subjects were treated in a manner which receives only the strongest condemnation from the Canadian authorities, and if you will also convey to His Imperial Majesty the assurance that the Canadian authorities will use their utmost efforts to prevent any recurrence of such regrettable events.

The message was at once communicated to the Emperor and a courteous reply returned as well as a statement from Count Hayashi, the Foreign Minister, that the Japanese Government had every confidence in the action of the Canadian authorities in the premises. Before leaving upon his mission Mr. Lemieux was

given a luncheon on Oct. 22nd at the Mount Royal Club, Montreal, by Mr. G. G. Foster, K.C. A large number of representative men were present. In reply to Mr. Foster's toast and speech, the Minister described his watchword and policy in Labour matters, and in diplomacy, as summed up in the word "conciliation." In connection with this mission the Ministerial press took pretty high ground. On the 21st the Ottawa correspondent of *The Globe* stated that if immigration was not limited as desired by Canada the Treaty would be abrogated. The Montreal *Herald,* of Oct. 23rd, declared that Mr. Lemieux wanted no intervention by the British authorities. "What he has to do is to secure in practice a definite limitation of Japanese emigration. If the Japanese authorities will not become party to a working accommodation on the question of numbers, Mr. Lemieux's mission must fail."

The Commissioner and his party left Victoria on the *Empress of China* on Oct. 30, and reached Tokio on Nov. 13th. After obtaining the cordial co-operation and assistance of the British Ambassador, Mr. Lemieux conferred on the 26th with Count Hayashi, Minister of Foreign Affairs; two days later he had an audience and lunch with the Empress; on Dec. 3rd the municipal and commercial leaders of Tokio tendered him a banquet; on the same day Count Hayashi told the Consolidated Emigration Companies that they must regulate their emigration and direct it especially to Korea. During the banquet above-mentioned, at which Sir Claude Macdonald and Mr. W. T. R. Preston were present, Mr. Lemieux made an eloquent appeal for closer trade relations and, after describing Japan as a country of the new century, said: "We also, in Canada, claim this century as ours. Under the ægis of the British Crown we have, on the North American continent, built up a nation which is an extension of Great Britain, herself, beyond the seas. Her friends, her allies, are ours. Her foes are also ours." On Dec. 20 a despatch from Tokio stated that Mr. Lemieux had finally agreed to accept Japan's assurance that she would undertake the self-imposed task of limiting the emigration of Japanese to Canada. The exact method of limitation was to be left entirely in the hands of the Government of Japan. It was also stated that a hitch had developed over the desire of the Canadian Government to secure a definite promise in writing upon this point—a request positively declined by Japan because it would entail a sacrifice of its Treaty rights.

On Dec. 25th despatches from London stated that the Japanese Government had refused positively to restrict the emigration to any specific figure, or to accept the contention that any previous official assurance had ever been given as to a limitation to 600 per annum. Through the United States press service of the same date came the news that Mr. Lemieux had entirely ignored the American Ambassador while in Tokio, had not discussed this international subject with him in any form, or even exchanged

the courtesies of a diplomatic call. It is worthy of comment in this connection that Japanese arrangements were not completed with the United States Government until Mr. Lemieux had left Tokio on Dec. 26th with an agreement of some kind in his possession—a perhaps natural Japanese courtesy to an informal representative of its British ally. The Canadian Commissioner arrived at Vancouver on Jan. 6th, 1908.

Meantime the subject was discussed at length in the Dominion Parliament. Summarizing and analyzing the facts presented it would appear that in 1894 the United States made a Treaty with Japan reserving control over the immigration of labourers; the British Government in its Treaty of Alliance did not do this but left the Treaty open for the Colonies to come into it or not as they liked. The Canadian Conservative Government offered in 1895 to accept the Treaty if Japan would include a British proviso similar to that in the American Treaty and, after varied British negotiations, this was agreed to; but the new Laurier Government declined to follow this course or to accept the policy of their predecessors in the matter. Ten years later they asked for the privilege of adhering to the Treaty and this was ultimately agreed to by all concerned and accepted by the Dominion Parliament without any proviso as to emigration—the following clause in the original agreement becoming applicable to Canada as well as to the United Kingdom: "The subjects of each of the two high contracting parties shall have full liberty to enter, travel or reside in any part of the dominions or possession of the other contracting party, and shall enjoy full and perfect protection for their persons and property." Interjected, however, into this situation had been an order dated Aug. 2, 1900, and signed by Viscount Aoki, then Foreign Minister, instructing Japanese Governors to "prohibit entirely for the time being" the emigration of labourers to Canada and the United States—an order communicated unofficially to the Canadian Royal Commission on Oriental Labour in 1903.

In the Commons, on Dec. 3rd, during the debate on the Address, Sir Wilfrid Laurier described British Columbia's interest in Oriental trade, the possibilities of sending flour and lumber to Japan, the present shipment of cattle from Ontario to that country. He referred to the greatness of Japan, its alliance with Britain, and its commercial arrangements with Canada. "We do not suppose that the Government of Japan has gone back on the understanding which we had with Japan; but our contention is that certain parties have eluded the understanding—that instead of sending their emigrants to British Columbia, which the Japanese authorities would have prevented, they sent them to another country, to Honolulu, whence they were passed over to British Columbia. Then we sent our Commissioner to Tokio, in order to have an understanding on this point and to have the understanding respected. The people of British Columbia have certain

views upon this question. I would not be honest with myself and with them were I to say that I share those views; but whilst I do not share them, I am bound to respect them." On the 13th Mr. F. D. Monk moved for copies of correspondence in this connection and, in reply to an inquiry as to Mr. Lemieux's status at Tokio, the Premier said: "It is difficult to say exactly on what grounds he stands. We have no diplomatic status anywhere, but Mr. Lemieux has been introduced to the authorities at Tokio by His Majesty's Ambassador, and it is under His Majesty's Ambassador that the negotiations—if negotiations they can be called—or representations, are being conducted."

On Dec. 16th Mr. Ralph Smith presented a Resolution declaring that measures should be taken to restrict the influx of Oriental immigrants to British Columbia. He estimated the total Japanese immigration since 1903 at 9,000, and described it as a distinct discouragement to British immigration as well as an injury to local white labour and a menace to future Canadian interests. The Japanese capital invested in British Columbia was stated at $3,250,000. Much of his argument went to prove that Japanese labour was better than that of the white man and must, therefore, be excluded. He took the curious ground, also, that this immigration was being allowed "for the sake of British connection." Four other British Columbia members spoke, including R. G. Macpherson, Duncan Ross, J. B. Kennedy and William Sloan. Messrs. Macpherson and Sloan protested against British interests being allowed to hamper the development of British Columbia, while Mr. Ross urged the Kipling cure of "pumping in white immigrants." The debate was then adjourned, indefinitely, though the subject again came up on the 18th, when Mr. R. L. Borden dealt with the claim that Imperial considerations were a factor in the matter by quoting Mr. Chamberlain's despatches of July 30, 1898, and March 23, 1899, which described the desirability of dealing with this question of excluding Japanese labour —if it should come up—along the lines of the Natal Act. In his reply the Premier intimated that this latter legislation could not be passed while the Treaty arrangements of 1906 were in force. During these debates many references were made to preceding Japanese assurances as to a definite limitation of emigration; but it was stated on Dec. 22nd that Mr. T. Nosse, Consul-General for Japan, denied having given any official pledge or statement in that respect.

Meanwhile, Mr. Mackenzie King, Deputy Minister of Labour, had been appointed a Commissioner to inquire into the amount of the losses incurred by Japanese subjects in the Vancouver riot. On Nov. 8 he reported that claims totalling $13,576.25 had been presented, that the sum of $9,036 should be paid, and that the Japanese Consulate should be reimbursed $2,600 on account of expenses involved in obtaining and presenting the claims. The

local Consul, M. Kishiro Morikawa, accepted on Nov. 19th, with courteous thanks, the cheque for $9,036, but declined the other payment on the ground that his Government could not "accept a reward for protecting the interests and property of the subjects of Japan." On Nov. 4th the same Commissioner was appointed to inquire into the methods by which Oriental labourers were induced to emigrate to Canada. The Inquiry opened on Nov. 11th with Mr. Charles Wilson, K.C., acting as Counsel for the Province, Mr. G. H. Cowan, K.C., for Vancouver City, and Mr. Harry Cowan for the Exclusion League. It closed on Nov. 30. Evidence was taken from immigrants, merchants, supply companies, etc. Copies of contracts were produced by the Canadian Nippon Supply Company with the Canadian Pacific Railway, the Wellington Collieries Company (Mr. Dunsmuir's concern), and some other large employers of labour, under which the Company undertook to supply a certain number of labourers in return for a specified sum per head, out of which the wages were to be paid, and subject to the men being obtained without violation of existing laws. It was found that no one in particular was promoting Chinese or Hindu emigration.

In his final Report, submitted to Parliament early in 1908, Mr. Mackenzie King made the following statement: "In justice to Japan and to the prejudice which has been aroused in some quarters against her people, it is not to be forgotten that in the regulations which were issued about April of the past year the exception, permitting the Emigration companies to send labourers to Canada, was made conditional upon the production at the Foreign Office of Japan of the duplicates of *bona fide* agreements with responsible employers of labour in this country—the *bona fides* of which agreements should be certified to by her Consuls resident in Canada. If there was a change in the policy of Japan it was not one which could adversely affect the interests of this country without a Canadian citizen or a Canadian corporation first placing upon it the seal of his or its approval." There was, he declared, no question as to various contracts having been obtained. As to Hawaii, the emigrant to those Islands passed beyond the control of Japan after reaching there, and came under the flag of the United States. He recommended the prohibition of Japanese immigration from Hawaii, an arrangement as to the importation of contract labour, and an absolute restriction upon the numbers of immigrants coming direct from Japan.

It may be added here that the position of the Japanese press during the whole controversy was calm and distinctly creditable. The Tokio *Jiii,* of Sept. 13th, described the power of the Dominion Government over individuals as being greater than that of the Government at Washington, and the Canadian police as more efficient than those of San Francisco, and thought the fullest protection would be given to Japanese citizens in future. The

Yomiuri Shinbun urged the Japanese in Vancouver and elsewhere to respect themselves and thus earn the respect of the people amongst whom they lived. The Kobe *Herald* thought an amicable arrangement between allies such as Britain and Japan, designed to prevent the dislocation of local labour conditions, was quite different from a total exclusion of all Eastern immigrants by Canada. The Japanese *Gazette,* in discussing Mr. Lemieux's visit, declared that the Government would be conciliatory though it could not place its subjects upon any inferior footing. The *Shimpo,* of Tokio, pointed out that the Government had already restricted Japanese emigration to Hawaii, and that the sudden migration from there to Canada was largely due to United States action in forbidding Japanese admission to the United States. The *Nippon* regarded the whole matter as a discussion with one of the territories of a great ally and urged conciliation and the voluntary limitation of emigration; but it did not quite understand Mr. Lemieux's mission in view of the recent presence of Commissioner Ishii at Ottawa.

American Relations—Mr. Root and Mr. Bryce in Canada

Canadian relations with the United States took on quite a new form in 1907. Instead of Canadian delegates and Ministers going to Washington seeking tariff or treaty favours the United States Secretary of State paid a formal visit to Ottawa; instead of the British Ambassador in Washington looking on at Canadian affairs from a philosophical distance Mr. Bryce came to see the Dominion and its concerns for himself. On January 11th it was announced from the U. S. capital that Mr. Elihu Root, with his wife and daughter, was coming to pay a brief visit to Lord Grey at Ottawa. Immediately, the press teemed with despatches, full of varied rumours, written by United States cable correspondents in London, or by correspondents at Washington of various American papers. Canadian papers published these despatches with all kinds of stories from New York, or Chicago, as to what Mr. Root and Earl Grey were going to talk about and were going to do or not do, and upon these gratuitous assumptions many and varied editorials were apparently based. Summed up, the impression seemed to be strong in the United States journalistic mind that the American Secretary of State and the Canadian Governor-General were going to take up all the questions at issue between the two countries and settle them in a couple of days.

By the Canadian public the supposed diplomatic side of the visit was looked upon with some suspicion. It was not forgotten in press comments that Mr. Root was one of the "international jurists of repute" who came together in the Alaskan Boundary Tribunal; it was pointed out that Canada always got the worst of it in these Anglo-American negotiations; it was claimed by some papers that there was nothing to settle and by many others that any difficulties still existing could very well settle themselves with

a little time and friendly feeling. The Hamilton *Spectator* put a good deal of public opinion in a slight paragraph on Jan. 15th: "Mr. Root is an exceedingly clever man; but Canadians have learned two things: (1) That American statesmen never go in for a bargain with another country unless the United States gets the better of that bargain; (2) that the United States is not at all necessary to the progress and development of this country." The United States press had many comments—some of them in the old-fashioned patronizing style indicated by the St. Paul *Dispatch* of Jan. 17th: "As a result of this visit Canada should be introduced among the nations of the new world. It is Mr. Root's mission to be, not Secretary of State for the United States, but to be Secretary of the States; these western states of two continents. We should like to see Canada take the place it deserves among—yes, among the American republics." On the other hand there was much reason for the assumption that the visit meant something practical. Negotiations had undoubtedly been going on for some time in various indirect ways between London and Washington and Ottawa, and the growing good feeling in the United States toward Great Britain, with its growing appreciation of Canada's position, made better relations very probable.

Mr. Root arrived at Montreal on Jan. 18, where he and his family were the guests of Lord Strathcona. To interviewers the Secretary would only speak of his personal friendship with Lord Grey and the social nature of his visit. To the Ottawa *Free Press,* on the 21st, he said, very neatly, in reply to inquiries as to the supposed negotiations: "There are no inspired despatches from Washington and there is no Government organ in the United States. We have very many bright and competent newspaper men at Washington and sometimes they get things right. I do not doubt that they do here, also!" Meantime, in the House of Commons on the day of Mr. Root's arrival at Montreal, the Hon. George E. Foster made a strong reference to the current rumours. After speaking of Britain's staggering burdens and Canada's obligation to share in them, Mr. Foster went on to say: "Yet, I think it ought to be pretty well understood on the part of Canada from this time forward that we have given up about all that we propose to give up unless we get a *quid pro quo* or an advantage. It must be understood that our resources, great though they are, are none too great for our own people; that they are not great enough to allow us to give advantages in the way of gratuities and favours, even to our good neighbours, the United States to the south of us; and that what we have we believe to be ours."

The only public appearance of Mr. Root during his stay in Ottawa was his interesting address to the Canadian Club on Jan. 22nd. At this gathering President Plunkett Taylor had the Governor-General on his right and Mr. Root and the Prime Minister on his left. Six Cabinet Ministers were present, the Speakers of the Senate and Commons, and the Opposition Leader. After

an eloquent and yet careful tribute to Canada's growth, to its national resources and the qualities of its people, to its pioneers and nation-builders, to its position on the continent and in the Empire, Mr. Root spoke of his own pride in "the great, hardy, vigorous self-governing people of Canada who love justice and liberty." He paid tribute to the hundred years of peace which had existed between Britain and the Republic, spoke of the natural differences which could not help but arise from time to time, and then made a guarded reference to current conditions: "But let us school ourselves and teach our children to believe that whatever differences arise, different understandings as to the facts on different sides of the boundary line, the effect of different environment rather than intentional or conscious unfairness is at the base of the issues." Sir Wilfrid Laurier followed, briefly, declaring the friendly relations between Britain and the States "a necessity of nature." During his stay Mr. Root had the opportunity, at a Government House dinner, of meeting the Premier and Messrs. Fielding and Aylesworth, and at a luncheon by Consul-General Foster of meeting Mr. R. L. Borden.

Mr. Root's visit and speech served as the text of a farewell speech by Mr. Bryce in London, just before leaving for Washington on Jan. 25th. He described the views expressed as being an admirable omen for the future. In March it was announced that the new Ambassador to the States was coming to pay Lord Grey a visit and a despatch from Washington to the New York *Evening Post* on the 22nd indicated the opinion generally held at this juncture: "Mr. Bryce is going to Ottawa for the purpose of obtaining the final views of the Canadian Government with respect to the settlement of the various questions pending between that Government and the United States. He is equipped with instructions from London and, at a conference late yesterday afternoon with the President and Secretary Root, he was apprised of the attitude of this country." The correspondent then proceeded to outline at two-column length the subjects which were going to be discussed, the position which the United States would take up and the expected attitude of Canada and Great Britain as to each detail of the negotiations!

This "instructive" document was published far and wide in Canada as a statement of what was transpiring and being discussed at Ottawa. It intimated that Mr. Bryce brought proposals from Washington for (1) a full commercial union between the two countries—free trade continentally and the Canadian adoption of the United States tariff against Great Britain; (2) the preservation of Niagara Falls and the determination of respective national rights in the taking of water by means of a treaty; (3) preservation of the seal herd in Behring Sea; (4) regulation of fisheries in the Great Lakes and off the Atlantic and Pacific Coasts; (5) revision of the Agreement of 1817 respecting Naval vessels on the Lakes so as to allow the United States to build

warships at its lake ports; (6) definition and marking of any part of the boundary line still unsettled; (7) the discussion of new arrangements as to goods on transit in bond between the two countries; (8) the consideration of miscellaneous questions such as Alien Labour laws, reciprocal mining rights, the conveyance of prisoners through each other's territory, reciprocity in wrecking and salvage rights, use of logging booms on the St. John River, and exemption of Canadians from the United States head-tax. It is obvious that the Dominion Government was in touch with some kind of negotiations at this time as the Prime Minister, in the Commons on Feb. 8, referred to the Newfoundland situation and added: "But in the meantime the difficulty is in the hands of the diplomatists. The Right Hon. James Bryce has instructions to deal with this matter, and he is sailing on the 13th of this month for the United States. He will deal with the question, I hope, in a manner satisfactory to the people of Newfoundland. Now we have come to this position in our relations with the people of the United States: We can never conceive of war between us, or of war between Great Britain and the United States. We mean to settle all our difficulties with that nation by peaceful means, by diplomatic action, by negotiation, but never by war."

On Mar. 27th Mr. Bryce was in Ottawa. His arrival in the United States had been discussed as an unprecedented event, as the mission of a statesman rather than a diplomatist; his visit to Canada was equally unique in being the first event of the kind, as coming immediately after his appointment to Washington, and as following so closely upon the trip of the United States Secretary of State. To the press he declined any discussion of his purpose or of the general assumption that he came with treaties in his pocket and negotiations of all kinds in his mind. His visit was described as a social one to his old friend, the Governor-General; and so the organs of the Ottawa Government stated in their press correspondence even while discussing the alleged terms of the supposed negotiations. In the British House of Commons, however, on Mar. 26th, Sir Edward Grey stated that while the former negotiations as to a commercial reciprocity between Canada and the United States would not be reopened, yet Mr. Bryce had been empowered to do his best to settle outstanding questions between the two countries. The day after this little debate in the British House the Ambassador in question was sitting, as a visitor, in the Canadian Commons listening to Mr. Borden and Sir Wilfrid Laurier discuss the coming Colonial Conference. On April 1st he addressed the Canadian Club, Ottawa, at its 4th annual banquet.

Amongst those present—the Governor-General did not attend—were Chief Justice Fitzpatrick, the Premier and Mr. Borden, the Speaker of the Commons, Sir F. Borden and Hon. S. A. Fisher. The first speaker was Sir Wilfrid Laurier, who took

occasion to criticize the British diplomacy of the past, to congratulate Mr. Bryce upon breaking precedents by his visit to Canada, to express the hope that he would learn much about the country and especially appreciate its indifference to United States tariff reciprocity. In following, the guest of the day spoke in terms of strong Imperialism, referred to his personal pride and British public pride in the progress of Canada, to the desire of the Government at home to meet every reasonable aspiration of the Colonies, to the Empire as being built and maintained upon a basis of liberty and self-government, to the desirability of a better and fuller co-partnership between its various States, and then made this brief reference to his supposed mission: "As the Prime Minister of the Dominion has referred to my functions in the United States, I feel almost ashamed to assure you, because it is so entirely superfluous, that every possible desire exists and that every possible effort will be made by the Colonial Office and the Foreign Office to ascertain the wishes of Canada, and that every possible regard will be shown to what those needs and desires are."

Mr. Bryce visited Toronto on Apr. 2nd as the personal guest of Mr. Goldwin Smith and for the purpose of addressing the Canadian Club on the following day. His reception, for some unexplained reason, was not a very cordial one in appearance as there was neither a Civic, nor Provincial, nor even a private representative at the station to meet him. The address to the Club was received, however, with enthusiasm. In the main it dealt with Swiss democracy and with suitable ideals for Canada, but at the close a reference by another speaker to British treaties in the past brought an appeal to suspend judgment; a declaration that Great Britain had never been indifferent to Canadian interests; a statement that he would not have come to the United States, as an Ambassador, if he had not "felt it his paramount duty, in a representative sense, to obtain justice for Canada." During his two-days' stay in Toronto Mr. Bryce addressed the Ontario Educational Association and a gathering in Wycliffe College. Following this visit there were renewed rumours of all kinds as to draft treaties and pending or completed negotiations, but nothing definite was officially announced during the year. On Apr. 17th Mr. Bryce and Earl Grey addressed a Peace Congress banquet in New York, the latter dealing with the benefits of arbitration, the former with the evils of war. In a series of succeeding speeches the new Ambassador brought himself into close and sympathetic touch with United States public opinion and undoubtedly paved the way for the acceptance of the Arbitration Treaty of 1908.

General Relations with the United States

The relations of two countries situated as are Canada and the United States must, of necessity, be complicated, varied and numerous in detail. One of the matters demanding official attention in 1907 was that of Postal rates on publications as regulated

under the arrangement of 1875. As a result of negotiations, dealt with elsewhere, the old Convention was abrogated and the rate raised upon United States second-class matter from one cent to four cents per pound—the existing domestic rate in both countries. The question of keeping war vessels on the Great Lakes was, more or less, an issue during the year as the result of a continuous agitation kept up in United States ship-building circles for the right to construct warships at lake ports and by other interests for the maintenance of training vessels (really warships out of commission) at specific places. As to the latter point permission had already been given for the bringing in of several such vessels. During the year prominent speakers like Earl Grey, Mr. Bryce and Mr. Root joined in eulogizing the Rush-Bagot arrangement under which the boundary waters were supposed to be kept free of warships. On July 1st a Resolution of the Canadian Peace Society was made public protesting vigorously against any further admission of training ships of war to the Great Lakes. The press supported this view very generally and, on Sept. 2nd, the Montreal *Star* described existing conditions as follows:

> There are now on the Great Lakes three war vessels which are of modern type, and the real thing, having fallen into the possession of the United States when the Spaniards gave up Cuba. A fourth one, the *Sandoval*, also a gunboat captured from the Spaniards, is on its way from the Brooklyn naval yard to Rochester, N.Y., by way of the St. Lawrence—the guns having been sent up to the same place overland. Thus, the United States will, in a few weeks, have on the Great Lakes a Naval force which could drive the Canadians from the Inland waters in twenty-four hours, take possession of the canals, and have every lake port in the Dominion at her mercy. So much for "training ships."

The subject of United States Canal projects draining the Lakes, and the Power problems connected with Niagara Falls, lent importance during 1907 to the position of the International Waterways Commission. Its official Report of proceedings since 1905, which the Canadian Government published early in the year, was an elaborate study of the questions at issue. In January it was announced that the Canadian and American Sections had come to an agreement as to the Chicago Drainage Canal and Lake Erie boundary questions but, if so, no official action appears to have been taken upon these and collateral questions other than the discussion which, undoubtedly, took place between Mr. Root, Mr. Bryce, and the Ottawa authorities. Of minor matters at issue there were many. In February a special Committee of the Commons was advised that 15 Canadian masters and mates had become United States citizens and had then come back and obtained employment in Canada although many qualified Canadians were unable, meantime, to get positions. On Feb. 15 the Washington House Committee decided to postpone, indefinitely, consideration of a Bill for reciprocal trade in coal between Canada and the United States. On Mar. 2nd a law prohibiting the sale

of American Sunday papers in Canada, on Sunday, came into force much to the disgust of many visitors and of some Canadians. On July 1st an increase in the United States head-tax from $2.00 to $4.00, on all aliens entering the Republic, came into operation with, however, the continued exemption of all persons resident for a year or more in Canada. As the new law made transportation companies responsible for payment it practically meant that Canadian railway and steamship companies became collecting agents for the United States Government.

During the year Minneapolis and other Western millers agitated for a tariff revision which would admit Canadian wheat free to the United States; a large number of Canadian branches of the United States Catholic fraternal Order, the Knights of Columbus, were organized; Mr. Leslie M. Shaw, former United States Secretary of the Treasury, at a New York Canadian Club banquet on May 15, advocated the commercial union of the two countries, discrimination against Britain in favour of the United States and uniformity in immigration and labour laws; the Vancouver Board of Trade, on June 4th, passed a Resolution protesting against bonding privileges being continued to the New England Fish Company which held a practical local monopoly in halibut fishing owing to free admission of its fish to the United States markets; the Ontario Fisheries Department reported in June that the Fisheries of the Great Lakes were being exterminated to satisfy the "greed and rapacity of a few powerful and dominating alien Fish companies"; the seizure of the *Carlotta G. Cox,* a Victoria sealing schooner, by a United States revenue cutter, some 100 miles from the nearest shore, aroused much local discussion, as did the Canadian seizure in June of an American fishing vessel for poaching in Atlantic waters; Governor A. B. Cummins, of Iowa, spoke at Pittsburg in favour of Reciprocity on June 17th; in Regina, the capital of Saskatchewan, much criticism of Mayor Smith followed his action in proclaiming July 4th a public holiday; in Winnipeg, Portage la Prairie, Lethbridge, Calgary and Edmonton, conspicuous American celebrations of July 4th were held; the American Institute of Instruction held a Convention in Montreal during the summer and the American Mining Institute had one in Toronto.

Speaking at Winnipeg on July 5th, before the National Council of Women, Lady Schultz denounced the 4th of July celebrations in Canada. She thought it was time that the waving of the Stars and Stripes and explosion of fireworks on that day should be stopped. "Americans were a most kind and delightful people but they were also aggressive, and the time might come, if care were not taken, when a Canadian boy would hardly know which flag was his own." The new United States law as to citizens of the Republic living abroad, which made local registration as an American citizen necessary once a year for the retention of

that status, aroused much interest in Canada—especially in the West. At the National Fisheries Society meeting in Erie, Pa., on July 25, Mr. Kelly Evans of Toronto stated that 86 per cent. of the Lake fish consumed in the United States came from Canadian waters. On Oct. 5th the Massachusetts Democratic Convention which nominated H. M. Whitney for Governor had the following platform: "We demand, in particular, free and unrestricted trade with Canada, that the people of New England may enjoy the natural advantages of their geographical position, and we believe that our northern neighbours, if properly approached, will still be found willing to meet us half way in negotiating mutually beneficial commercial agreements." Mr. Whitney was defeated a month later by 75,000 plurality. In this connection Mr. John Charlton, ex-M.P., wrote the Toronto *Globe,* on Nov. 1st, pointing out that in 1907 the United States sent $254 worth of goods to Canada against every $100 sent by Canada to the United States. An American Club was organized in Vancouver on Nov. 26, with Colonel L. Edwin Dudley, the U. S. Consul, as Hon. President, and J. E. Tucker as President. At the Triennial International Convention of the Y.M.C.A., held at Washington in November, there were 60 Canadian delegates in attendance.

Other incidents of Canadian relationship with the United States included President Roosevelt's statement in his Message of Dec. 5th that there should be no tariff on any Forest production and that "the repeal of the duty on wood-pulp should if possible be accompanied by an agreement with Canada that there shall be no export duty on Canadian pulp-wood." On Dec. 3rd Canada captured the championship in the steer class at a Chicago International Live-Stock Exposition—the prize going to James Leask, of Greenbank, Ont.—and also high honours in the sheep department. A curious occurrence on Dec. 3rd was the alleged kidnapping of a man named Tolton by United States secret service officers near Emerson, Man., and close to the international boundary line. Previous attempts to capture the man had been made, on the charge of smuggling, but he kept on the Canadian side of the line, and the officers finally cut the knot by forcibly conveying him across the border. On Apr. 19, Thomas Longboat, a Canadian Indian, won the Marathon road-race near Boston and beat the record by covering 25 miles in 2 hours, 24 minutes and 20 seconds. In Montreal, during August, Mr. Church Howe was replaced by Mr. W. H. Bradley as United States Consul-General.

International visits of the year included that of the Mendelssohn Choir of Toronto to Buffalo on Feb. 11th and 12th; the 4th of July trip of the 14th Regiment of Kingston to Watertown, New York; the visit of the Montreal Field Battery to Plattsburg, N.Y., on July 1st; the trip of the 13th Regiment of Hamilton to Buffalo on Sept. 3rd; the visit of the Ancient and Honourable Artillery Company of Boston to Toronto on Oct. 6th. Flag

incidents of the year included a tearing down of the Stars and Stripes on May 24 from the United States Consulate in Winnipeg; the removal of the same flag from Civic decorations for the Home-Comers' carnival at Ottawa on July 24th; the 30 days' imprisonment of a British subject at Marquette, Mich., in July, for tearing down a United States flag at a place in that State. Many Canadians won distinction or appointments in the States during 1907. Dr. Robert Bell, of Ottawa, was awarded a valued medal of the American Geographic Society; S. N. Hughes, of Toronto, was elected President of the International Association of Master Painters and Decorators; Rev. Thomas Green, M.A., B.D., of Victoria University, Toronto, was awarded a Fellowship in Philosophy at Columbia University; Dr. Albert Ross Hill, B.A., of Dalhousie University, became Dean of the Cornell College of Arts and Sciences; Prof. A. B. Macallum, of Toronto University, was made an Hon. D.Sc. of Yale University. American visitors during the year to different parts of Canada included President Elliot of Harvard University, Senator Reed Smoot of Utah, Dr. S. Weir Mitchell, Mr. Justice Harlan of the United States Supreme Court, Hon. Oscar S. Straus, President James B. Angell of the University of Michigan, Hon. W. H. Taft of the United States Cabinet, Alton B. Parker of New York, Bishop Scadding of Oregon, and Bishop Vincent of the Methodist Episcopal Church. Mr. H. M. Whitney and Hon. Josiah Quincy, of Boston, were in Toronto on Sept. 2nd and in addressing a National Exhibition luncheon earnestly advocated Reciprocity between the two countries. In April a number of Magazine representatives toured the Western Provinces, including C. D. Buckley, W. S. Bird, H. P. Ruggles, J. C. Redington and T. H. Blodgett—all of Chicago. Prof. F. C. de Sumichrast, of Harvard, and President of the Victoria Club of Boston, visited Toronto on Jan. 28 and addressed the local Canadian Club.

Of Canadian visits to the United States along semi-public lines there were many. One was the reception of several hundred Canadian school-teachers by President Roosevelt at Washington on March 30; another was the Y.M.C.A. delegation already mentioned, which was received by Mr. and Mrs. Bryce on Nov. 25; on Jan. 4th the Hon. G. E. Foster, M.P., addressed the Equality Club at Buffalo; on Feb. 15th W. F. Maclean, M.P., spoke at a Republican banquet in Detroit and, according to despatches, hinted at Canadian separation from the Empire in the future; on Feb. 21, Charles Marcil, M.P., Deputy Speaker of the Commons, addressed a New York Publishers' banquet; on Mar. 28th Hon. R. F. Sutherland, Speaker of the Commons, addressed a meeting of the Detroit Chamber of Commerce. Mr. G. T. Blackstock, K.C., of Toronto, also spoke, on Mar. 28th, at a banquet of the New England Street Railway Club of Boston; while Hon. J. J. Maclaren, of the Ontario High Court, Hon. R. F. Sutherland and

Hugh Guthrie, M.P., addressed the New York Canadian Club on May 16. The Rev. J. A. Macdonald, of the Toronto *Globe*, expressed some plain truths at a Students' conference in Northfield, Mass., on July 4th. In the course of his speech he said: "To what purpose refuse obedience to one King if you place the crown of your allegiance on a million-headed mob and call that your King? Why displace an aristocracy that at least had a duelling code of honour, if you allow a greasy, shoddy aristocracy of graft and mammon, whose standards of honour would do discredit to thieves and cut-throats?" At the triennial Convention of the United States Protestant Episcopal Church, held at Richmond, Va., on Oct. 22, Bishop Dunn of Quebec, Bishop Mills of Ontario, Dean Farthing of Kingston, J. L. Jennison of New Glasgow, N.S., and Frank Hodgins, K.C., of Toronto, were delegates. The Hon. G. W. Ross addressed the Equality Club at Buffalo on Nov. 11th; Mr. Oliver, Minister of the Interior, was in Washington on June 27th on his way to the Jamestown Exposition; Rev. J. A. Macdonald, of Toronto, addressed the Canadian Society at Philadelphia in its annual banquet on Apr. 24, as did Mr. Bryce, and he also spoke at Rochester, N.Y., on Feb. 5th; late in October, Mr. D. C. Fraser, Lieut.-Governor of Nova Scotia, was the guest of President Roosevelt while returning from Jamestown; on Dec. 14, Principal Peterson, of Montreal, spoke to the Canadian Club of Harvard University; on Dec. 16 the new Intercolonial Club-house at Boston was dedicated with a banquet addressed by Lieut.-Governor Fraser, of Nova Scotia, Armand Lavergne, M.P., and Principal Peterson, and by a number of United States speakers. A special Ode was read by J. W. Bengough, of Toronto.

The French Convention and Relations with France

The trade treaty or convention made with France in this year was an interesting incident. During the Colonial Conference Sir Wilfrid Laurier had addressed an Anglo-Saxon banquet in London, on May 6, in terms which described Canada as the freest country in the world and the French sentiment of Canadians as including in its scope "Canada which preserved them, France which inspired them, and England which respected them." It was then generally understood in London that the Canadian Premier, or some of his Ministers, would shortly discuss a new commercial arrangement with the French Government. Arrangements were, in fact, made to that end with Sir Edward Grey. On May 22nd Sir Wilfrid arrived in the French capital, called on M. Clemenceau, the Premier, and upon Sir F. L. Bertie, the British Ambassador and, on the following day, was received by President Fallieres. Later he was joined by Mr. Brodeur, Minister of Marine, and by Mr. Fielding, Minister of Finance, and an informal interchange of views apparently commenced. After an interval of travel the Canadian Ministers were again in Paris

and on June 27th were tendered a luncheon by the President. Up to this time the *pourparlers* had been of the most informal character; after this time, Sir Wilfrid Laurier returned home and the negotiations were left to Messrs. Brodeur and Fielding who, on July 10, communicated formally with Sir Francis Bertie, with the result of an immediate interview with M. Pichon, Minister of Foreign Affairs.

On July 24th, Messrs. Arsene Henry, J. Chapsal, L. Vassilliére, M. Delanney, and H. Dallemágne, officials of various Departments, were appointed to confer with the Canadian Ministers who, on their part, were assisted by T. C. Boville, Deputy Minister of Finance, Anatole Poindroin, Commercial Agent in France, and their Secretaries—R. B. Viets and R. A. Wiallard. On Aug. 24th Mr. Fielding wrote the British Secretary for Foreign Affairs that negotiations were proceeding satisfactorily, that a draft treaty was nearly ready, and that it would be shortly submitted for his approval. On Aug. 8th the King had formally appointed Messrs. Fielding and Brodeur to act as British Plenipotentiaries in discussing and arranging "commercial relations between France and Canada." In accordance with this power a Convention was signed at Paris on Sept. 19 by Sir Francis Bertie, G.C.M.G., G.C.V.O., K.C.B., the Hon. W. S. Fielding and the Hon. L. P. Brodeur for the British Sovereign; and by S. Pichon, Minister of Foreign Affairs, J. Caillaux, Deputy Minister of Finance, G. Doumergue, Deputy Minister of Commerce, and J. Ruan, Deputy Minister of Agriculture, for the French Government.

Under the terms of this arrangement any reduction in Customs duties granted by either country to any other Foreign country would also apply to the products of France or Canada as the case might be. Care was taken to preserve freedom in regard to the French minimum tariff for its Colonies and the Canadian preferential tariff for the British Empire; excise and internal duties were made the same to citizens of each of the contracting countries; the most-favoured-nation treatment for protection of trade marks, patents, commercial names and industrial patterns, were reciprocally extended; drawbacks on exportation were in neither case to exceed the amount of customs duties, excise, etc., respectively collected; France gave Canada the benefit of its Minimum tariff; Canada gave France the benefits of its new Intermediate tariff. Canadian goods shipped direct between French and Canadian ports were the only ones entitled to the minimum French duties, while French goods *via* United Kingdom ports were admitted to Canada at the reduced rates. It may be added that the chief articles imported from France at this time were books and periodicals, cotton goods, drugs, etc., fancy articles, fruits and nuts, furs, hides and skins, precious stones, ribbons, spirits and wines, wool and woollens—a total in the year ending March

31, 1907, of $8,647,514; while the principal items of Canadian export to France were horned cattle, peas, fruits, iron and steel—a total of $1,982,322.

On Sept. 19 Mr. Fielding cabled Sir Wilfrid Laurier as to the signing of the Treaty which, he said, would now supersede the arrangement of 1894, negotiated by Sir Charles Tupper and the Marquess of Dufferin, then British Ambassador at Paris. Following the announcement came the usual silly United States cables about official red-tape, etc., and they had to await the answer of the published, formal correspondence and the statements of Ministers as to the cordial aid and co-operation given from London in all phases of the negotiations. On arriving home at Quebec, on Oct. 4th, Messrs. Fielding and Brodeur were presented with an Address by the local Board of Trade. In his reply Mr. Fielding made some general remarks, spoke of the splendid liberties of the Empire, and added: "Not only were we free to deal with the matter as Canadian Ministers, but as plenipotentiaries of His Majesty, with the certainty that all we did would be ratified by him. We had also the co-operation of the British Foreign Office and of His Majesty's Ambassador at Paris, Sir Francis Bertie." Mr. Brodeur followed in a tribute to Britain's sense of justice, liberty and fair-play and to French appreciation of Canada's conditions. The Convention was presented to Parliament on Nov. 28 and the ensuing analysis by the press evoked some interesting points. The St. John *Sun* asserted that it gave Canada the minimum French tariff upon 152 items, including nearly all agricultural products and a majority of the chief industrial products of the Dominion, while allowing entry to 99 French articles under the Canadian Intermediate tariff. The Montreal *Herald,* of Nov. 29th, claimed that the Treaty showed Canada as practically an independent power; that France acted without consideration for any other part of the British Empire; that in matters of importing, exporting, warehousing, transhipment, consumption, etc. (outside of the tariff), whatever Canada grants Great Britain must be given to France; that in permitting certificates of the origin of products to be attested by the French or Canadian Governments the practical power to appoint Canadian Consuls was inferred. As to trade conditions this paper asserted that:

> Under Sir Charles Tupper's 'little French Treaty' we received minimum tariff treatment only for salted meat; now we get it as well for live horses, cattle, fresh meat, poultry, canned meats, tallow, lard, etc. Heretofore, we had minimum tariff treatment only on condensed milk, now we are to have it as well on eggs, milk, butter, cheese, and honey. Then we had it only on fresh-water fish and lobsters, now, as well, on sea-fish; on practically all kinds and in all forms. Then we had it only on apples and pears and candied fruits; now we are to have it on practically all other transportable fruits. Our hay, our potatoes, get the benefit of the minimum rating at home. It will be strange, indeed, if these concessions to Canadian agriculture by a country which, as is the case with

France, has made the protection of agriculture the chief concern of its tariff policy, does not result in great primary benefit to Canada's agricultural interests, and, through that, to the whole fabric of commerce, transportation and industry. So with other branches of business. Provision is made for a wide range of iron and steel products, for calcium carbide, for lumber, for pulp, for cement, for boots and shoes, for trunks, for locomotives, for agricultural instruments. The signs point to American diplomacy being unable to arrange with the French Government such a Convention as Canada has concluded. In that case one of two results will follow: either existing Canadian concerns will do the business in agricultural implements, shoes, trunks, carbide, cement, pulp and the like, or American plants will be established in Canada to do part of this export trade. Sewing machines, dynamos, linotypes, steel springs, furniture, floorings, millware, pianos, organs, carriages, street-cars, rubber goods, asbestos goods, typewriters, the same reasoning applies to all of them.

The Halifax *Chronicle,* like the others quoted a Liberal organ, described the arrangement as follows on Dec. 3rd: "The scope of the Treaty is that France gets the benefit of our Intermediate tariff, which is a little higher than the British preference, on 98 items. Concessions below the Intermediate tariff and the British Preference are made on a few French specialties. In several cases the duties on French imports will be the same as, and in a few cases they will be lower than, those under the British Preferential tariff. But these are cases in which Britain does not produce the goods. In any case where the British Preferential rate is higher, it follows that it will be reduced to the rate of the French Treaty." On Dec. 5th it was stated in cablegrams from London that Canada would be bound by the most-favoured-nation clause to extend to 20 other countries every concession given to France. As a matter of fact the Dominion had adhered to this arrangement with the following countries: Argentina, Austria-Hungary, Bolivia, Colombia, Corea, Costa Rica, Denmark, Dominica, Japan, Liberia, Madagascar, Morocco, Persia, Russia, Siam, Spain, Sweden and Norway, Switzerland, Tunis, Venezuela. It may be added in connection with the claims of a part of the press as to the nature of this arrangement that the *Canadian Gazette,* of London, had this to say on Dec. 5: "In the interests of historic accuracy it is necessary to make it clear that in character the new Convention does not differ from the Convention of 1894—both are arrangements for the mutual adjustment of duties and nothing more, and both were made by Canadian Ministers negotiating directly with French Ministers under the ægis of the British Ambassador, who in each case joins his signature to theirs. It is essential to an understanding of Canada's treaty-making powers to make this fact quite clear. For thirteen years Canada has enjoyed and, as occasion arose, has exercised the full plenipotentiary powers which have now enabled her Ministers to come to a fresh commercial compact with France, and the only difference between the Convention of 1894 and that of 1907 is that the latter contains twenty Articles, whereas the former contained only four."

Great interest was naturally felt in Quebec in the struggle between French legislation and the interests of the Roman Catholic Church; and in Montreal, because of this sympathy, the annual Papal collection in 1907 rose from $1,000 to $12,000. Bishop Dontenwill, of Victoria, delivered an address on the subject, locally, on Jan. 27, as did various ecclesiastics during the year in Quebec and elsewhere. In April the French Government decorated M. Pierre Beulac, Montreal, and M. Lambert de Roode, of *La Patrie*, with the honorary distinction of Officier d'Academie. In this matter of French decorations it is interesting to note what a large number of Canadians have been given the Legion of Honour by different French Governments. Many of the recipients have, of course, long since passed away, but as no list has been published in any Canadian book of reference the following statement* will be of interest:

The Legion of Honour of France.

Grand Cross.

General Baron Juchereau de Saint Denis.
Francois Joseph Chausegros de Lery.
Jacques Bedout.

Grand Officer.

Sir Wilfrid Laurier.

Commander.

Sir Louis Jetté, K.C.M.G.
Sir Adolphe Chapleau, K.C.M.G.
Hon. L. A. Senecal.

Chevalier.

Dr. A. Brodeur.
Philippe Martin.
General Sir W. F. Williams.
Dr. E. P. Lachapelle.
Hon. Adelard Turgeon, C.M.G.
Hon. Alexandre Chauveau.
Hon. R. Lemieux, M.P.
Hon. S. Pagnuelo.
L'Abbe J. C. K. Laflamme.
P. H. Hébert.
Gustave Drolet.
Lieut.-Col. G. Gourdeau.
Louis H. Frechette, C.M.G.
J. X. Perrault.
Le Comte C. F. de Beaujeu.
Hon. Thomas Chapais, M.L.C.
Dr. A. D. De Celles, C.M.G.
J. G Barthe.
J. C. Taché.
C. O. Perrault.
Dr. Gerin-Lajoie.
Joseph Demers Chartrand.
Alfred Perry.
Faucher de St. Maurice.
Emile Galibert.
Jules Helbronner.

Officers.

Hon. R. Dandurand.
Hon. Lomer Gouin, K.C.
Hon. Honoré Mercier.
Hon. J. S. C. Wurtele.
Hector Fabre, C.M.G.
Honoré Beaugrand.

Trade Arrangements with Mexico and other Incidents

The possibilities of trade with Mexico were much discussed during the year. With its total trade of $123,512,969 in exports (June 30, 1907) and $116,214,968 in imports, the Republic only sent $395,665 worth to Canada while receiving $656,880 from the Dominion. Yet many efforts were made to develop this commerce. A distributing concern, called the Mexican Trading and Fruit Growing Company, was organized at Victoria for interchanging Mexican fruit and Canadian cereals,

* Note—I am greatly indebted to Senator Berthiaume and *La Presse*, of Montreal, in the preparation of this list.

butter, lumber, and boots and shoes. Mr. Hugo Ross, of Winnipeg, was in Victoria, on his way home from Mexico, on Feb. 20, and told the press that prospects for the new Canadian-Mexican Steamship Company were splendid and practically unlimited; that in Mexico City $30,000,000 of Canadian capital was invested and many wealthy Canadian residents were anxious to help trade with the Dominion; that lumber and salmon would find a special market there. Mr. A. W. Donly, Canadian Trade Commissioner in Mexico, visited the Dominion during the year and addressed various commercial bodies. To the Canadian Manufacturers Association he submitted a formal Report in April which analyzed Mexican conditions and dealt, especially, with the possibilities of British Columbia trade in lumber and dried and canned fish.

At Victoria, on May 1st, the *Georgia* inaugurated the work of the new Steamship Line and carried a large cargo of samples in canned and salted salmon, biscuits, soaps, paints, etc., as well as much freight in lumber, coal and railway ties. It was hoped that in return, coffee, tropical fruits, cocoa, rubber, vanilla beans, and ore for the Vancouver smelters, would be shipped from Mexico. This first trip turned out fairly successful and the service, as thus established, was monthly and touched at the Mexican ports of Mazatlan, Manzanillo, Acapulco and Salina Cruz. Following this there was some interchange of visitors and business men between the Pacific Province and the Republic. Meantime, the Atlantic Coast service with Mexico, under control of the Elder-Dempster Line, had proved most successful in its two years' operation, and Mr. Donly told the Sydney (N.S.) press, on July 16, that there was an excellent market in Mexico for steel rails and cement. In St. John, on the 24th, he enlarged previous estimates by stating that Canadians had $60,000,000 invested in Mexico and impressed local manufacturers with the profitable demands of that market. To the Montreal Board of Trade, on Oct. 3rd, Mr. Donly said:

> The products which Mexico needed to import were lumber, ties, pulp, coal, hay, potatoes, fish and barley. There was also the question of live stock, which Canadians had not seriously considered. Mexico was importing a quantity of well-bred and thoroughbred live-stock for the upbuilding of the stock in the country, and it seemed to him that Canada would do well to look after that trade. He recommended those interested in live-stock breeding in this country to consider the Mexican market. It might be asked, what could Mexico send us? She could send sisal and like fibres, used in the manufacture of cordages, and she could send woods, coffee, hides, rubber, sugar, vanilla, fruits, honey, leaf tobacco, cigars and cigarettes. As to transportation, we had a direct line of steamers sailing monthly to Mexico, and by these vessels freight could be sent at not only as cheap a rate as the American enjoyed from New York, but possibly cheaper. The articles Mexico required from Canada were machinery, rails, railroad cars, hardware, paper, boots and shoes, plumbers' supplies.

Addressing the Victoria Board, on Dec. 5th, Mr. Donly urged the possibilities of selling local lumber, coal, coke, cement, potatoes,

apples, hay, canned butter and machinery. As to return purchases he indicated salt, fibre for binding twine, fluxing ores, jute, hardwoods, hides and skins, tobacco, cocoa. W. C. Bond of Victoria, J. A. Hunt of Mexico City, and H. A. Walrond of London, England, were others who urged the development of this trade during the year. In January a New York concern called the Mexican National Packing Company was incorporated with $10,000,000 capital and with Hon. G. E. Foster, of Toronto, as one of its Directors—according to a despatch in the Toronto *Star*. A monthly 4-page paper, called *The Canadian*, was started in Mexico City early in 1907.

With other Foreign countries Canada's relations were slight but varied. A proposed State visit of the Duke of the Abruzzi, a cousin of the King of Italy, to Canada after his visit to Jamestown, was discussed in the press but appears to have been abandoned without any announced reason. On Aug. 7th the King's permission was accorded Messrs. Wm. Hutchinson and C. H. Catelli to accept the decoration of Commander of the Crown of Italy for services in connection with the Milan Exhibition. In December it was announced that the Russian Government had paid over to Lord Strathcona in London $82,544 as a settlement of all outstanding claims for the wrongful seizure of Victoria sealing schooners in 1892 off the Copper Island sealing grounds. Trade relations with Germany remained unchanged, although there was more than one friendly reference in German public circles to a future restoration of normal tariff conditions—influenced, no doubt, by the negotiations with France and, indirectly, by King Edward's visit to the Emperor William. Late in August a German warship visited the Port of Montreal.

On April 17 a Canadian branch of the Inter-Parliamentary Peace Union was formed at Ottawa with Senator Dandurand in the chair. The Canadian Peace and Arbitration Society was re-organized on Feb. 13 with Sir William Mulock as President and a list of prominent persons as Vice-Presidents. On Jan. 23rd the Lunenburg (N.S.) Fishermen protested against French steam trawlers being allowed on the Bank fisheries; on Feb. 12 four Nova Scotia sailors of the steamer *Alice Gertrude* returned from their seizure and confinement in Uruguay prisons—with many kind words for the British Minister at Montevideo who helped them and obtained their release; on Apr. 22nd Sir W. C. Van Horne told the Montreal press that his Guatemala Railway project was practically completed and that he had nothing but praise for the treatment accorded his efforts by the Government of that country; in June all the Argentine Consuls and Vice-Consuls in Canada were dismissed and the service re-arranged by Mr. H. L. Meyer, the new Consul-General at Montreal; in September it was announced that Dr. James C. Fyshe, of Montreal, had been appointed Assistant Superintendent of Hygiene in the Kingdom of Siam.

IX.—DOMINION PUBLIC AFFAIRS

Work and Speeches of the Governor-General

The valuable contributions of Lord Grey to the public life and thought of Canada continued during 1907. His speeches since coming to the country had not only helped to make Canadians think more carefully of their Imperial responsibilities but had drawn frequent attention in Great Britain to Canada's position and prospects—the Ottawa *Journal* of Jan. 2nd quoting from a dozen British newspaper editorials which had been evoked by His Excellency's address in Toronto a short time before. On Jan. 19th Mr. Elihu Root, United States Secretary of State, was the guest of the Governor-General at Ottawa and discussed with him quite informally, as well as with Sir Wilfrid Laurier, the questions at issue between Canada and the States. His Excellency was present at the Canadian Club luncheon to Mr. Root on the 22nd, but did not speak.

Following this event came the death, on Feb. 3rd, of Lady Victoria Grenfell, eldest daughter of Lord and Lady Grey, and wife of Mr. Arthur Grenfell, from an attack of typhoid fever supposed to have been caught during a recent visit to Mexico. On the next day Parliament adjourned after a brief speech from the Premier referring to Their Excellencies' bereavement from a personal standpoint; to the sympathy which Canadians have always felt in the joys and sorrows of the occupants of Government House; and declaring that though Lord and Lady Grey had only been a short two years in the Dominion "they have entered more completely than have others into the life of the Canadian people." A Resolution of sympathy was passed on Feb. 5th by the Ontario Legislature; and other Provincial and public bodies joined in expressions which found their way to Ottawa in many and varied forms—both public and personal. Cables also came from His Majesty the King, the Queen, the Prince and Princess of Wales, Lord Elgin, Lord and Lady Minto, Lord and Lady Aberdeen, Lord Rosebery, the Premier of Cape Colony, and from all over the world. The body was sent to England for interment.

At the meeting of the Dominion Rifle Association in Ottawa on Feb. 27, Lord Grey spoke enthusiastically of the necessity of rifle shooting, the desirability of wealthy people taking an interest in the subject, and of his own intention to offer a trophy for competition amongst the Cadet corps of Canada. Speaking at a luncheon to General Booth, in Ottawa on March 20th, His Excellency eulogized the work of the Salvation Army, as "an historic

example of disinterested enthusiasm," and referred to its colonization projects as worthy of the endorsement and financial aid of the Dominion and Provincial Governments of Canada. He gave much valuable and authoritative information a few days later to the House of Commons Committee on Co-operative Societies and on Apr. 17th addressed the National Arbitration and Peace Congress at New York. In his speech Lord Grey praised the recent Labour legislation of the Dominion Government as a step in promoting peace and suggested the application of such a principle of investigation to international disputes; described the policy of Cecil Rhodes and his great educational bequest as another aid to peace and friendship between nations; and urged approval and help for the Hague Tribunal, sympathy for the cause of arbitration, closer friendship between Great Britain, Canada and the United States. Mr. Carnegie presided and Mr. Bryce also spoke.

On May 6 the Governor-General paid a visit of inspection to the Portland Cement Works at Hull, where 2,000 barrels of cement daily were being made; two days later, accompanied by Lady Evelyn Grey, he left on a month's visit to England—Sir Charles Fitzpatrick acting as Administrator in his absence. Meanwhile, His Excellency's effort to encourage musical and dramatic art in Canada, by the granting of a trophy for general competition, had been realized at Ottawa from Jan. 28 to Feb. 2, with G. W. Chadwick, of Boston, as the Judge in Music, and Mrs. George Riggs (Kate Douglas Wiggin) and Langdon E. Mitchell, the American playwright, as Judges in the Theatrical competition. The dramatic trophy was awarded to the Winnipeg Dramatic Club and the musical trophy to the Quebec Symphony Orchestra. A second competition was then arranged for 1908 with Mr. F. C. T. O'Hara, of Ottawa, as Hon. Secretary. After his return from England Lord Grey, on June 21st, received a deputation from the Ottawa Board of Trade, headed by Mr. J. W. Woods and Sir Sandford Fleming, which presented a Memorial urging its well-known policy of a globe-encircling Empire cable system. After eulogizing Sir Sandford Fleming's work in this connection, Lord Grey, in his reply, stated that the chief reason for his recent visit to London was the desire " to support Sir Wilfrid Laurier in his endeavour to impress upon the members of the Imperial Government the importance of establishing a fast trans-Atlantic service between Canada and England and of thus making Canada not only the natural and God-appointed route but the accepted mail and passenger route between Great Britain and the Orient and those great British dominions in the southern seas of New Zealand and Australia." The All-Red cable would, he thought, be supplementary to the All-Red steamship line and he believed it would surely come.

Writing to the Ottawa *Free Press* special number in connection with the Home Comers' celebration at the Capital, His Excellency, on Aug. 2nd, expressed his regret at being absent from the city in

the following interesting terms: "I never walk in the streets of Ottawa, or along the beautiful drives of Rockliffe Park, without remembering, with a feeling of exaltation, that I am treading on soil which before the close of the present century will carry the Capital city of a nation of eighty millions." On Aug. 5th the Governor-General, with Countess Grey and their daughters, was the guest of Halifax during that city's summer carnival. Gaily decorated streets, a warm welcome, an address, and songs from 1,500 school children, were the incidents of the 6th, and other functions followed, concluding on the 8th with an eloquent speech at a Canadian Club luncheon in which His Excellency first paid tribute to the local memories of Haliburton, Howe and Grant and to their embodiment of the best and most far-seeing Imperialism; described mutual sacrifice and service as the motto for British statesmen and people all over the world; referred to various sacrifices already made by the Colonies for the cause of Imperial Unity and to Canada's tariff example and postal precedents; then dealt with Imperial defence as follows:

He felt proud to belong to that small portion of the British Empire which considered it a privilege to carry the whole of the naval defence of the Empire so long as they were able—and until you can relieve them of Canada's share of the burden—and who had thus given an example of that sacrifice and service which was a necessary element in the character of any nation which aspired to greatness. He warned them that with the population of Germany 50 per cent. and the United States 100 per cent. above that of the United Kingdom, it was obviously impossible for the people of the United Kingdom to keep command of the seas. unaided, for ever. Canada had been assured that she could depend upon the British Government to come to her aid in time of need with the greatest goodwill, and without any sort of drawback whatsoever, and he felt sure from what he had seen of Canada and its people that the British Empire could depend in the future, as in the past, on the willingness of every Canadian to strain every nerve to the fullest extent of its power in their desire to safeguard and strengthen the Empire of which one day, perhaps, Canada would be the controlling influence.

Visits of a passing nature followed to Chester, Canning and Digby; while Kentville, Wolfville, Middleton and Annapolis tendered a warm welcome. In St. John, N.B., from Aug. 13th to 16th, a number of formal and popular functions were given in honour of the Vice-regal visitors and the city was gay with bunting and flags. There was a State dinner given by the Lieut.-Governor, an inspection of the Boys' Brigade and Cadet corps, a public reception at York Theatre, a Civic supper at the Union Club, formal visits to various institutions and a Canadian Club luncheon. At the latter function His Excellency dealt, at some length, with the rise of the Dutch as a great nation based upon fishing industries which created its sailing prowess and early trade. His moral was a reproach to "the crude, wasteful and unscientific methods of catching and canning fish" which were preventing development in the Maritime Provinces of Canada. Upon the question of Defence he supplemented his Halifax speech as follows:

I have good reasons for my view that Canada should not make any immediate contribution to the fleet. There are other directions in which it is more important in Imperial interests that Canada should expend her present energies. Canada and the Empire are necessary to each other. Without the support and strength which Canada enjoys as a portion of the British Empire, she would soon lose her national existence. On the other hand the British Empire without Canada might soon cease to be an empire. This being so, it is of the first importance to the Empire that Canada should be strong and that consequently all her surplus energies should be concentrated on what will increase her strength, and the fact that the Dominion Government is not prepared to undertake the heavy obligations which these steps will involve until she is financially stronger than she is to-day is a conclusive reason against her undertaking an expenditure which should follow and not precede those steps to which I have referred.

A visit to Fredericton followed on Aug. 16, when almost the whole population of the Provincial capital turned out to greet the Governor-General. A Civic address, a Provincial luncheon, a public reception, etc., marked the event. Returning to St. John in the evening a brilliant display of fireworks closed the stay in that city. After a day at St. Andrew's, Charlottetown was reached by the Vice-regal visitors on the 19th and various functions and addresses followed, including a visit to the Macdonald Consolidated School at Hillsboro'. Lord Grey was in Toronto on Aug. 27th and formally opened the Canadian National Exhibition. On the following day he inaugurated the King Edward Sanitarium for advanced cases of consumption, and in the course of an urgent appeal for public aid and sympathy in this connection deprecated the present apathy of the people. "Scientists had laid it down that consumption could be removed from the land as completely as leprosy had been by the energetic action of our fathers. If that were true it was a standing reproach to Governments and individuals that more care was not taken by the people to free the land from the curse of consumption." A projected building for the extensive military library of the Canadian Military Institute was inaugurated on the 29th by Lord Grey laying its corner stone. In September visits were paid to Sherbrooke, P.Q., Magog and Knowlton, as well as to Hon. S. A. Fisher's place—Alva Farm, near Knowlton.

On Oct. 15 a visit was paid to Trinity College School, Port Hope, and an appeal made to the boys for fair play and honour in sports, in study, and in business when that time came. A reference to Canada's resources followed and then His Excellency added: "At the present time the people of the United Kingdom are bearing the chief burden of the Empire, but the time will come when Canada, by reason of its numbers, its size, and, I hope, its character, will be able to take its share, a paramount share, in the control of the greatest Empire ever known in the history of the world." Upper Canada College and St. Andrew's College, Toronto, were visited on the 16th. At Montreal, on Dec. 12, Lord Grey addressed the inaugural luncheon of the Women's Canadian Club.

After a brief discussion of French and English relations in Canada, the vice of parochialism in politics, the loyalty of Canadians, and the future greatness of Montreal, he continued as follows: "The women of Canada should exert the same influence which they have wielded throughout history; but he was afraid they might lack the imagination to see the destiny of their country. In reply to the question as to what women can do to help their country, he thought that they should shut the doors of their houses against men who corrupt domestic or national life and close their drawing-rooms to men who in sport, business, or politics, hit below the belt." The announcement was also made that a cable had just come from the King approving of the Champlain Tercentenary scheme and subscribing 100 guineas toward the undertaking.

This latter statement marked a point of progress in the project, which Lord Grey had made his own, of focussing Canadian public attention upon the Plains of Abraham in connection with the proposed celebration, in 1908, of the Tercentenary of the founding of Quebec by Champlain. On Feb. 12th a large and influential delegation, headed by Mayor Garneau of Quebec, had waited upon Sir Wilfrid Laurier to propose this celebration, and asked for a large grant in aid of the project, and for the appointment of a National Committee to look after it. The Governor-General's idea was to try and save the scene of Wolfe and Montcalm's memorable battle from further desecration; to remove, if possible, the Ross Rifle factory and a gaol building which already stood upon a part of the grounds; to take advantage of local interest in the Champlain celebration, extend it over all Canada and perhaps throughout the Empire, as an aid to the establishment of a great public park upon the scene of the historic battle. His Excellency became, in December, Patron of the Quebec Battlefield's Association, organized for this purpose, with Sir Louis Jetté, Lieut.-Governor of Quebec, as President and with announced objects as follows: (1) Establishment of a National Park; (2) removal of the Provincial gaol and the Ross factory; (3) construction of a broad driveway along an historic route seven miles in length; (4) the building of a fireproof museum for historical relics and records; (5) erection of a colossal statue of an Angel of Peace overlooking the St. Lawrence —a suggestion of Lord Grey's.

The Laurier Government and Political Conditions during the Year

During the year 1907 the Laurier Government presented some very good legislation to Parliament, took through its chief a notable stand at the Colonial Conference and, in party matters, was the object of a continued series of charges regarding Departmental affairs and alleged corruption, or negligence, in contracts, land sales and leases, the purchase of goods, etc. Sir Wilfrid Laurier himself maintained his high personal reputation and was the subject of varied eulogies and frequent complimentary comment from without Canada as well as from within. To

Hamar Greenwood, M.P., speaking at Victoria, on Aug. 30, he was "supreme among the great men of the daughter nations of the Empire"; to T. P. O'Connor, M.P., in his London paper, "no words could be found" to describe his feelings of admiration and respect; to Harold Spender, in the London *Chronicle,* he was a "great conciliator"; to the Editor of the *Morning Post,* after a brief visit to Canada, no other statesman had accomplished so much in so short a time; to Percy Hurd, in the London *Reader,* he was still, at 66, a man with a future. And so with other commentators.

The Premier did not have a Department of his own, but in 1907, he was at different times Acting-Minister of Inland Revenue, of Marine and Fisheries, of Railways and Canals, of Trade and Commerce, of the Interior, and Postmaster-General. His personal *prestige* in Quebec was greatly enhanced during the year by the anti-Defence policy which he pursued at the Colonial Conference and this was illustrated in the splendid welcome given him (July 19-20) on returning from the seat of Empire—"cheering for a negation," the Montreal *Gazette* called it, while the *Star* suggested his taking a place amongst the British peers as Canadian High Commissioner in London. It was the greatest popular demonstration in the history of Quebec City, according even to newspapers opposed to the Premier, politically; and the ovation given in Montreal was a still further indication of the feeling of the Province. Sir Wilfrid Laurier's place in politics during the year was marked by advocacy of the All-Red line project; by continuous refusal to participate in Empire defence or to be drawn into the "vortex of European militarism"; by severe criticisms of British diplomacy and by the refusal to be borne away upon waves of panic in respect to the Japanese question; by opposition to public ownership schemes and theories; by continued vigour in his handling of personal questions connected with Cabinet positions. As to the members of his Administration opinion and criticism and comment were very diversified. Against some of them, individually, the Opposition carried on a strong campaign of criticism and, in a few cases, of denunciation. Mr. Aylesworth, Mr. Brodeur, Sir F. Borden, Mr. Oliver, Mr. Emmerson, and Mr. Hyman, were the special objects of attack, and the two latter were compelled to resign their positions in the Government.

Mr. Fielding maintained his place as a successful Finance Minister and Leader of the House in the Premier's absence; Mr. Lemieux greatly strengthened his reputation and standing; Mr. Fisher continued his work, referred to elsewhere, as a good practical head of the Department of Agriculture and he also administered, for several months, the Department of Public Works. Mr. Brodeur bulked largely in the public eye as one of the Delegates at the Colonial Conference and as one of the Commissioners for negotiating the Convention with France. In Quebec his leadership in the party work of that Province continued during the year

with results apparently satisfactory to those concerned, and his efforts to improve the navigation of the St. Lawrence and complete the deepening of its channel were described by a Resolution of the Shipping Federation of Montreal in October as reflecting "great credit" upon the Government and the Minister in charge. On Oct. 6th he was accorded hearty public demonstrations of welcome at Sorel, St. Ours, St. Hilaire, and other places in his constituency —upon returning from the mission to England and France. In this connection a curious incident occurred in the charge made by *La Patrie,* on Mar. 11th, and repeated at various meetings by Mr. Alfred Girard, M.L.A. for Rouville, that Mr. G. C. Dessaules was appointed to the Senate over the former's head in order to hold the seat temporarily until Mr. Brodeur should be in a position to take the place and become Government Leader in the Senate. The statement was discussed in the Upper House on Mar. 13th and emphatically denied by Mr. Dessaules; it was not very warmly accepted by Mr. Girard's own constituents when he "explained" it to them on Mar. 17th; it was altogether repudiated by Mr. Brodeur himself and, apart from the latter's high personal reputation for probity in public life, and its intrinsic improbability, the allegation thus depended upon the unproven assertion of one individual.

The Minister in whose charge Ontario Liberal affairs were specially placed—Hon. A. B. Aylesworth—took an active part in the politics of the year. His able and aggressive speech attacking Mr. Foster in the Insurance Report matter brought upon him the keen attention of the Conservative press. Addressing a Liberal banquet in Toronto, on Mar. 10, he stated that he had "taken to political life as the work to which he would devote his attention for whatever time might be left him." At Hensall, on June 14, he dealt with the "slander campaign" against the Government and made a statement which was much discussed in the Opposition press: "I do not pretend to say that when millions of dollars are spent yearly every dollar is spent where full value is given in contracts of various kinds. At present I am acting as Minister of Public Works, and only last week I had a case where a man held up the Government and we were forced to pay $300 for a piece of land not worth over $200; but if we went to law about it, in all probability, the lawyers would get at least one hundred out of it, so I concluded to pay the man his price." At Aurora, on June 20, he traced the history of Liberalism down from the days of W. L. Mackenzie and denounced Dr. Sproule and other Orangemen for trying to stir up religious strife in Canada over the recent visit of Sir Wilfrid Laurier to Rome; at Ridgetown, on the 23rd, he defended the Government's action in the North Atlantic Trading Company matter, the Arctic steamer charges, etc., and declared that while the present Premier was at

the head of affairs the country need not fear the allegations of "graft." To the Ontario Reform Association in Toronto, on Sept. 4th, he alleged the great ambition and hope of their Leader to be a return to power with a majority from Ontario—and that result seemed to him to be really possible in the next elections.

At Dundas, on Sept. 10, he vigorously attacked Mr. R. L. Borden, declared his platform of honesty in public life to be a mere platitude, criticised his continued political association with Mr. Foster, and denounced his alleged connection with the Quebec campaign fund contributed by Mr. Hugh Graham in the 1904 elections. At Essex, on the 10th, he accused the Conservatives of being connected with the Blair-Russell affair of the latter year. "They had arranged the resignation of Mr. Blair," said the Minister, "and assured the Conservative millionaires and speculators who wanted to be on good terms with the Government that they were going to pull off a big thing—a *coup d'etat*—by which Mr. Borden and his friends would be exploded into power." On the 19th another militant speech at Windsor described the Conservative policy as one of "detraction, abuse, unmerited slander and scandal"; attacked Mr. Borden for his charges along these lines and hinted that the Opposition Leader might not be all he laid claim to in the matter of electoral purity; reviewed again the Conservative campaign fund matter of 1904; and placed Mr. Hugh Graham and Mr. Borden in apparent antagonism over the story of its details. Toward the close of the year an aural trouble caused Mr. Aylesworth to retire from aggressive action for a time. Meanwhile, his Lord's Day Act of the 1906 Session came into force and was put into operation by most of the Provinces of Canada—Quebec excluding itself by special legislation and British Columbia announcing itself as opposed to enforcement. The Secretary of the Lord's Day Alliance claimed on May 5th that the measure had given a day of rest to 50,000 men; the International Federation of Sunday Rest Associations, meeting in Philadelphia, declared it the "most effective and most reasonable Sunday law in the world"; the Presbyterian General Assembly, on June 7th, described it as "the best piece of Lord's Day legislation ever passed by any Parliament."

Sir Frederick Borden's administration of the Militia Department continued to run along lines which were very slightly criticized by the Opposition. Lord Aylmer's retirement from the post of Inspector-General was, however, stated in the press and by many Conservatives to have been unduly hastened in order to make way for another official; but the Minister claimed that it was in accordance with the appointment for a limited term which expired on Dec. 31, 1906, and that it was in line with the Departmental system of promotion. Personally, the Minister of Militia was the object of private rumours and press statements which do not require consideration here at any length. The *Eye-Opener,* a

weekly paper in Calgary much given to personalities, made reiterated personal charges which he deemed it useless and unnecessary to notice; but when the October number of the *Nineteenth Century* magazine in London contained an article by Mr. H. H. Fyfe which, incidentally, quoted from that paper he took action at once for defamatory libel. In its December issue the Editor of the magazine unreservedly withdrew the statements made and apologized to Sir Frederick for having published the article. There was some Conservative criticism of the increased expenditure of the Militia Department, but the only popular feeling in the matter was one of moderate approval. The Minister made a strong effort during the year to obtain Provincial co-operation in the physical training of boys and girls of the primary schools and in the training of boys over 13 in military drill. He also assisted McGill University in the establishment of a branch of military instruction. The Minister of Inland Revenue (Mr. Templeman) did not appear very conspicuously before the public during 1907—his work being of a quieter and more administrative character. A comparatively new Minister, he had devoted himself to a programme of improving navigation and protecting life and property on the Pacific coast; to the organization of the new Department of Mines; to matters of a hydrographic character and the arrangement of the new Mexican steamship service; to the Marconi wireless developments, and to various affairs connected with British Columbia which he was supposed to especially represent in the Cabinet.

In that Province a Liberal Convention met at Vancouver on Oct. 2nd and organized a Provincial Liberal Association with Mr. John Oliver as President. Resolutions regarding Dominion affairs were passed as follows: (1) Recommending that the Dominion Government take steps to give Vancouver Island mail connection with the Mainland; (2) urging the importance of Governmental action towards securing a proper class of white settlers for the Province; (3) asserting that settlers in the Esquimalt and Nanaimo Railway belt, who had not secured title to their lands owing to the fact of their applications not being sent in until after the statutory period had expired, should be given titles; (4) urging the Dominion Government to keep the dredge on the Fraser River in constant operation; (5) affirming the principle that land reserves should be set aside for the support of public and technical schools and higher education; (6) urging the Dominion Government to appoint a Commission to inquire into the feasibility of a scheme of pensions for the aged-deserving poor; (7) asking that Railways in the Province be compelled to pay a full share of public taxation; (8) urging that a part of the unoccupied coal lands should be reserved by statute for the future establishment of state-owned and operated coal mines; (9) favouring the public ownership and operation of telegraphs and telephones; (10) endorsing the principle of the Lemieux Labour Act;

(11) urging the entire exclusion of Oriental immigration. At Calgary, on Oct. 23rd, a similar Convention was held, with 400 Liberals in attendance from all parts of Alberta. A Provincial Liberal Association was formed with Senator Talbot, of Lacombe, as President, and Resolutions of a Federal character were passed expressing confidence in Sir Wilfrid Laurier and his Administration and in the Hon. Frank Oliver as Minister of the Interior; approving the "wise and progressive" Immigration policy of the Government; endorsing the Oliver Land Bill of the preceding session and approving the principle of throwing open the available odd-numbered sections for settlers; endorsing the Hudson's Bay Railway project and the All-Red line scheme; expressing "decided objection to any rise in the tariff" and declaring that any change should be in a downward direction.

A much-discussed question of the year brought forward by the Liberal leaders and press—notably by Hon. Mr. Pugsley in various New Brunswick speeches—was that relating to the Conservative campaign fund of 1904. Evidence was adduced as to Mr. Hugh Graham's contribution of $29,381.70 to the Quebec fund of the party, and political capital was made out of what Mr. Borden described as absolutely essential organizing expenditures. Mr. Pugsley also claimed, and Mr. Aylesworth repeated the charge, that the Conservatives had a total fund of $500,000 in those elections. There were frequent revivals of the Blair and *La Presse* episode of 1904 and Mr. Borden was charged by Ministers with having some indirect association with the sensational events of that period. In the press of Oct. 26 Mr. Hugh Graham, who had been out of the country for some months, replied to the allegations about himself, admitted the contribution of $29,000 and gave full details, ridiculed the idea of such a sum being of any use for corrupt purposes and added: "So long as I have a dollar to spare, I will consider myself free to aid whichever party has, in my opinion, the policy best adapted to the needs of the country; but it will always be contributed for legitimate purposes and to suppress illegitimate ones." The Montreal *Herald,* of Sept. 3rd, estimated Mr. Graham's total share in these campaign funds at $200,000. As to *La Presse* and its complications of 1904* Mr. David Russell, the prime mover in the affair, wrote to *The Gazette,* on Dec. 16, as follows:

> First: The late Hon. A. G. Blair did not know of the purchase of *La Presse* until five days after that event was consummated and was, therefore, in no way connected with that deal.
>
> Second: I gave the non-political banquet to Hon. Wm. Pugsley at Caledonia Springs on account of my personal friendship for that gentleman, and in order to advertise the property and effect a sale, which I was successful in doing.
>
> Third: R. L. Borden, M.P., did not know of the purchase of *La Presse* until I accidentally encountered him at the ladies' entrance of the Windsor Hotel and informed him.

* NOTE—For history of the affair, details of charges, etc., see *Canadian Annual Review* of 1904.

An event of the year in administrative circles was the appointment of a Civil Service Commission by the Government. It was led up to by a growing discussion of conditions in that connection, by an increasing demand for reform and a fuller appreciation on all sides of the evils arising from the party patronage system. Mr. J. M. Courtney, C.M.G., I.S.O., in addressing the Canadian Club at Ottawa, on March 2, pleaded for better remuneration and a general reform of the Service. He recommended (1) that appointments to important posts in the outside service, such as postmasterships and collectorships, should be made from the Service; (2) that the remuneration in all important offices of the Crown, from Ministers down, should be increased; (3) that the old and repcaled Act under which superannuations were granted should be re-enacted; (4) that the whole Service should be utterly divorced from politics and appointments made on a probationary basis as a result of competitive examinations; (5) that the present Civil Service Act should be removed from the Statutes and an independent Commission chosen from the members of University Senates.

Commenting on these views the Toronto *Star* declared that: "The root of the evil is the idea of patronage, the notion that service for one party or the other is something on which a claim for a public office may be founded. Though radically false, the idea is so prevalent and so deeply rooted that he would be a bold Minister of the Crown who would flatly deny it, and make his appointments solely upon the ground of fitness." Following this speech and the discussion which ensued, the Orillia Board of Trade passed a strong Resolution in favour of competitive examinations and an independent Commission; Mr. J. S. Willison, of the Toronto *News,* in speeches before the Canadian Clubs of Halifax, Barrie, Toronto and other places, urged reform of the Service with clear and effective argument, while his paper strongly supported the same policy; Mr. R. L. Borden, in his autumn tour of Canada, made reform in this respect one of the serious planks in the Conservative platform; Mr. T. C. Robinette, K.C., a Liberal candidate in Toronto, declared in favour (Nov. 22) of competitive examinations for promotion and an independent Commission to make appointments. An interesting illustration of the workings of the existing system was presented in St. John, on Nov. 25th, when the Liberal Executive had quite an exciting contest over the election of seven members to the local Patronage Committee—out of 18 candidates. Meanwhile, the Dominion Government on May 8 appointed Messrs. J. M. Courtney of Ottawa, Thomas Fyshe of Montreal, and Philippe J. Bazin of Quebec, as Commissioners to "inquire into and report upon the operations of the existing Civil Service Act and kindred legislation with a view to the proposing of such changes as may be deemed advisable in the best interests of efficiency in the Civil Service." Mr. Courtney was

appointed Chairman and Mr. Bazin took the place of Mayor Garneau of Quebec who was first selected but could not act. The Commission did not report until 1908.

Of miscellaneous political and administrative incidents it may be said that E. W. S. Maxwell of Montreal was awarded (Aug. 22) the first prize of $8,000 in the competition of some 30 Canadian architects for the building of the proposed new Departmental block at Ottawa. Darling & Pearson of Toronto came second with a $4,000 prize, Saxe & Archibald of Montreal, third, with $2,000, and D. R. Brown and another of Montreal, fourth, with $1,000. On March 8th a deputation of some 60 retail druggists from different centres waited upon Hon. Mr. Templeman to protest against the proposed proprietary medicine legislation; on March 19th the Premier promised a deputation from Brantford to support a grant of $10,000 toward a local memorial to the Telephone inventor—Dr. Alex. Graham Bell; to the Royal Canadian Academy at Montreal on April 1st Hon. Mr. Fisher announced by wire that the Government would arrange for the establishment of an Advisory Council of Art and authorize a grant to be expended under its direction; on April 11 Hon. Mr. Oliver received a deputation of Doukhobors from the West which wanted special privileges in holding and acquiring lands and which was practically informed that enough had already been done for them.

Speaking at Winnipeg on Oct. 14 the Minister of the Interior (Mr. Oliver) defined his party principles as follows: "Liberalism stands for progress, betterment and development and believes that these can best be obtained by care for the interests and the welfare of the individual who, in the aggregate, constitutes the state. The welfare of the individual is the welfare of the state. We find no fault with the view of our opponents which, if I understand their position rightly, stands for the state first, and holds that if the state is taken care of, the individual will be taken care of too. We believe that we are right, and they are wrong." Following out his view that a member of Parliament should from time to time give his electorate an account of his stewardship the Minister of Agriculture (Mr. Fisher) delivered a series of elaborate speeches in his constituency of Brome early in November. He reviewed the progress of the country as illustrated in such changes as that of trade from $220,000,000 in 1896 to $612,000,000 in 1907; described the Government record in legislation and policy; denounced the "scandal-mongering" of the Opposition and analyzed some of the charges made. On Jan. 17 a deputation composed of the Liberal members and Senators from Manitoba had waited upon Sir Wilfrid Laurier and urged an extension of the boundaries of Manitoba and a submission of the terminal elevator question at Fort William to the Grain Commission.

On May 14th new and important regulations were announced for the disposal of coal-mining rights in the West and in Domin-

ion lands generally. They provided that coal-mining rights should be leased for 21 years at an annual rent of $1.00 per acre payable in advance. No applicant would be allowed to lease more than an area of 2,560 acres; the tract must be contiguous; and the area was not to exceed four miles in its greatest dimensions. Applications must be made through the Dominion Lands Agent or a sub-agent of the district. In unsurveyed territory the application was to be made within 30 days after its being located. Where a dispute as to location occurred the right to lease would be decided by the Minister of the Interior after hearing evidence. Messrs. S. G. Curry and A. C. Hutchinson, the Commissioners appointed to inquire into the collapse of the tower in the Departmental buildings on April 5, 1906, reported a defective construction design, poor quality in the work done, a lack of efficient supervision by the Department of Public Works and the responsibility as resting upon the contractor for not building according to specifications. A political incident in Nova Scotia was the appearance of Mr. C. Ernest Gregory—until then a prominent local Conservative—upon the Liberal platform in Pictou County, on August 30th, and his declaration of dissatisfaction with Mr. Borden's policy.

There was the usual academic discussion as to the constitution and work of the Senate during the year. Senator McMullen, in the press on Aug. 27, described conditions as having improved in recent years, some of the Senate Committees as being most industrious and painstaking, the necessity for an Upper House as unquestionable, a possible reform as being the election of Senators by Provincial Legislatures. Mr. H. M. Mowat, K.C., President of the Ontario Reform Association, published in July an article and pamphlet which urged reform in the appointment of a few eminent men from ranks of life other than that of politics; in the selection of a limited number of "Senators at large" from each of the Provinces instead of from specific districts; in the limitation of the term, except in special cases, to 12 years. In *The Globe,* of Jan. 8th, Mr. James Young, of Galt, urged an elective Senate chosen by the people as being the only true and logical method; in the House of Commons Mr. H. H. Miller proposed a Conference of Senators and Members and made the following suggestions: (1) An age limit for retirement and a shortened term of service for future Senators; (2) an extension to other authorities than the present one of power to fill vacancies in the Senate; (3) a rearrangement of some of the duties and work of the two Houses. A popular appointment of the year was that of Hon. George W. Ross, Liberal leader and ex-Premier of Ontario. On Jan. 30 he was banqueted at Ottawa by 80 members representing both Houses and every Province of Canada. Another incident was the retirement of Senator Sir J. R. Gowan after a service of 22 years and at the age of 92. The following is a list of Senate appointments during 1907:

Date of Appointment.	Name.	Province.
Jan. 15	Hon. John Costigan, ex-M.P.	New Brunswick.
" 15	Hon. George William Ross, LL.D.	Ontario.
" 15	Robert Beith, ex-M.P.	Ontario.
" 15	Daniel Gillmor, ex-M.P.	New Brunswick.
" 15	Hon. Ambrose Hilaire Comeau	New Brunswick.
Mar. 12	George Casimir Dessaules	Quebec.
Nov. 22	Hon. Napoleon Antoine Belcourt	Ontario.
" 22	Daniel Derbyshire, ex-M.P.	Ontario.
" 22	Archibald Campbell, ex-M.P.	Ontario.

Government Changes, Appointments and Bye-Elections

There were the usual number of changes in the Government during 1907—some of them rather sensational in their character. On Feb. 14 Mr. Jacques Bureau, M.P., of Three Rivers, Que., who had been in the House since 1900, was appointed Solicitor-General without a seat in the Cabinet, and in succession to Mr. Lemieux, who, late in 1906, had been appointed Postmaster-General. Mr. Bureau was re-elected by acclamation on the 28th and banqueted by citizens of his native place and constituency on May 15. The Hon. William Templeman, M.P., Minister of Inland Revenue, was, a little later, given the additional post of Minister of Mines—a new Department of the Civil Service which had Mr. A. P. Low as Deputy Minister and Dr. Eugene Haanel, F.R.S.C., as Superintendent and Director.

During the first six months of the year the position of Hon. C. S. Hyman, Minister of Public Works, was much discussed. Late in 1906 ill-health was stated to have compelled his departure to California, and for a considerable period of the new year he remained away—the Opposition openly claiming that his absence was due to political reasons and to the London election case then pending in the Courts. In the Commons, on Jan. 10, Mr. Borden inquired as to the Minister's health and regarding the resignation of his seat and portfolio which he was understood to have tendered two months before. The Premier stated that Mr. Hyman's condition was still serious. On Feb. 8 Sir Wilfrid Laurier was able to add that the Minister had, at his request, withdrawn the resignation of Nov. 19, 1906, so far as his membership of the Government was concerned and would shortly return to his duties. The Opposition contended that Mr. Hyman's illness had not been serious and that the improperly-witnessed resignation of his seat in the House had been used to delay a bye-election in London. This latter point was again discussed in the House on Feb. 15th and referred to a Committee which, on March 14th, reported the resignation invalid because the names affixed as witnesses were written in weeks after the signature itself was made. On April 16th Mr. Fielding informed the House that a formal and attested resignation of the seat was then on its way to the Speaker, and a month later (May 22) Mr. Hyman wrote the Premier again stat-

ing that his health still remained bad and that he felt compelled to finally tender his resignation of the Public Works portfolio. This time it was accepted.

Meanwhile, the London Election trial which had precipitated this affair was continued in Toronto.* On May 7 Mr. Justice Britton refused the request of Counsel for O'Gorman and others (charged with corrupt practices in Mr. Hyman's bye-election of June 13, 1905) which urged a change of venue from Toronto to some point at or near London; on May 10 Mr. Justice Anglin granted a motion of the same Counsel asking for postponement in order to take the testimony of W. T. R. Preston, Canadian Commercial Agent in Hong-Kong, which was declared to be essential to the defence. Finally, the trial of John O'Gorman, G. M. Reid, D. Wiley and W. J. Mulloy for "conspiracy to bribe" commenced before Judge Winchester, at Toronto on Nov. 8th, with E. F. B. Johnston, K.C., acting for the defence and G. S. Lynch-Staunton, K.C., for the Crown—the latter with a special retainer from the Attorney-General of the Province. Two of those originally charged had been released and one had not been included in the present proceedings; on the 19th J. G. Pritchett again told his story of bribery and of the switching, spoiling and manipulation of ballots in different constituencies. Other witnesses testified to various details. On succeeding days all the old charges of the preceding year were gone over again and witnesses were examined from various parts of the Province. The defence contended that while there was undoubtedly bribery in the London election it had nothing to do with the other offences described which were spread over various constituencies and were of a more "modern" type than the common method of a personal bribe; it also claimed (Nov. 26) that the Court had no jurisdiction; and alleged that, technically, there was no conspiracy. Denials under oath of testimony connecting them with the general corruption or with any "machine" manipulation of votes were submitted by W. T. R. Preston and the two Liberal organizers, Alex. Smith and James Vance. The prosecution claimed that the London bribery was part of a general conspiracy to corrupt the electorate. On Nov. 29th Judge Winchester found the four men guilty of having combined and conspired to procure and expend money for the purpose of buying votes in the London election. He granted an appeal on the question of jurisdiction, allowed heavy bail, and deferred sentence until March, 1908.

The retirement of Hon. H. R. Emmerson, the energetic Minister of Railways and Canals, was an extraordinary and unpleasant incident of the Parliamentary Session of 1907 and a direct result of personal charges made in one of the debates. It cannot be left unnoticed here, though it must be treated in as summary a manner as possible. The affair was precipitated by a speech delivered

* NOTE—For earlier details of the case, see *Canadian Annual Review* for 1906.

in the Commons on Feb. 19th by Mr. G. W. Fowler, Conservative member for Kings, N.B., which was probably unique in its language and references. Smarting under charges and insinuations in connection with the Insurance investigation, and irritated by an incidental reference to these allegations in a speech which Mr. Duncan Ross had just delivered, Mr. Fowler leaped to his feet and said:

> I want this House and the Right Hon., the First Minister, and the Government to understand that if matters in connection with my private business are to be discussed in this House I shall take an opportunity to discuss the private character of members of this Administration and members on that side. I want to say to the Hon. gentlemen opposite that I shall discuss those without fear or favour, that I shall call a spade a spade and when I speak of the indisposition of an Hon. Minister which keeps him out of the House I shall tell exactly what it was and how it was brought on. I shall allow no man to make an attack on me or my character without retorting. I shall discuss the character of Hon. members opposite whether they be Ministers or private members and their connection with women, wine and graft.

The public comments on this outburst were innumerable and, upon the whole, names were demanded and specific charges asked for. *La Canadien,* of Montreal, was outspoken in its denunciation of alleged immorality in public life; *Le Nationaliste* took a similar line, and the Toronto *World* and Vancouver *Province* did not hesitate to specifically mention three Ministers by name as involved; the Montreal *Star* demanded an investigation, and papers everywhere dealt vigorously with the implications. On the 21st Mr. H. Bourassa brought up the matter with a view to future full discussion in a brief speech dealing with the honour of the House, the reputation of the Government, and the evil results of such insinuations as Mr. Fowler had expressed. Sir Wilfrid Laurier, in following, seemed to think that action should await the Report of the Insurance Commission: "I do not think it is fair to attack the private conduct of any member, unless it has become such a matter of public scandal that the presence of the man should not be tolerated in an assembly such as this. But I will not discuss that feature at present. I have not made up my mind that at this moment the time has come for the House to take any action upon the matter which has been brought to its attention. But that the Session cannot pass without this matter being brought to the attention of the House goes without saying." On March 26 a long and sensational debate took place upon a motion by Mr. Bourassa asking for a special Committee of Inquiry into this matter as well as the implied charges of the Insurance Report.

Sir Wilfrid Laurier in replying mentioned the air-laden rumours and insinuations of the past few months; stated that he had Mr. Hyman's personal and explicit denial of statements made against him; denounced Mr. Bourassa for his present action

and declared that the House of Commons could not be made into a Police Court. "The rumours which had been floating in the air at last fell into the gutter and the Honourable gentleman gropes in the gutter and brings those rumours into the House." After stating that Parliamentary decencies must be preserved and fighting maintained upon a fair and square basis, the Premier declared that the House would investigate charges but would not inquire into rumours. Mr. R. L. Borden stated that he would support the Resolution though it was not all he would have liked; that, as he understood its terms, charges could be and must be presented to the proposed Committee when appointed; that the inquiry made by the Royal Commission on Life Insurance into the affairs of Mr. Foster, Mr. Fowler and others had not been based upon specific charges. A prolonged discussion followed and the Bourassa motion was defeated on a party vote of 109 to 56; being an amendment to a Government motion to "go into Committee on Supply" it did not admit of any further amendment. The public reception of this result was decidedly mixed. Aside from purely party comment the Toronto *Globe* probably hit the mark in saying that the debate had neither cleared the air at Ottawa nor ended the discussion in the country.

Then came the editorial in the Fredericton *Gleaner,* a Conservative paper said to be controlled by Mr. Fowler, which on Mar. 27th reviewed the debate, defended Mr. Fowler from the charge of cowardice, and definitely named Mr. Emmerson as one of those referred to in the Fowler speech and as the Minister whom Mr. Bourassa had indicated in his succeeding speech as having been ejected from an hotel in Montreal on account of immoral associations. Only a few newspapers re-published this article, though it was everywhere discussed; and Mr. Emmerson promptly declared the story to be absolutely false; while the political atmosphere at Ottawa and elsewhere teemed with rumours and heated personal controversy. The Toronto *Globe* at once (Apr. 1) demanded action. "The charge is definite; its answer must be direct and absolute." Meanwhile, Mr. Emmerson had written the Premier (Apr. 1) resigning his position in the Government, stating that he had taken action against certain newspapers with a view to vindication from the slanders and insinuations of the moment, and expressing his feeling that, pending a decision of the Courts, it would be unfair to the Premier, to his colleagues, and to the party, that he should continue in the Cabinet. Sir Wilfrid wrote at once expressing appreciation of the retiring Minister's public services in a most arduous Department, but admitting that Mr. Emmerson could not ignore "direct and specific charges," and accepting the resignation.

Following this event there were many expressions of friendly personal feeling toward the late Minister, marked appreciation of his work on the Intercolonial, and as a progressive and ener-

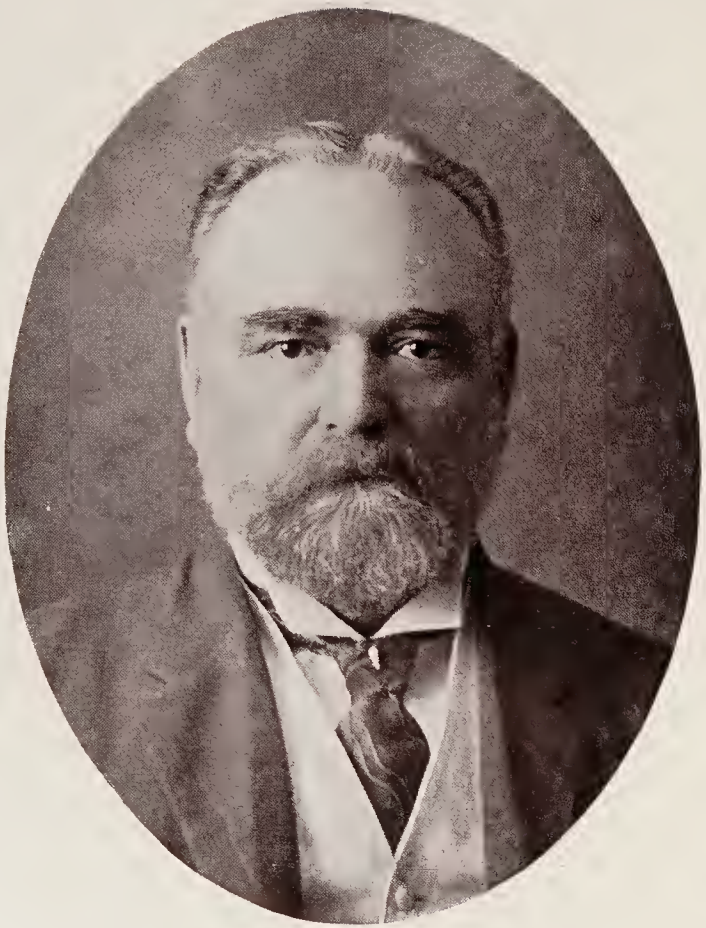
getic member of the Government. The 21 Liberal members of the New Brunswick Legislature, on April 2nd, sent a telegram of personal confidence and expressed approval of his stand against the "attempt made by your enemies to destroy your future." They urged him to "fight boldly to a finish," and promised to stand by him. On April 3rd Mr. Bourassa moved in the House, as a question of privilege, that Mr. Fowler be "invited either to name the Ministers and Members of the House to whom he was referring on the 19th of February, and to specify his charges against them, or to withdraw his accusation." The Speaker ruled the motion out of order and was sustained by a vote of 104 to 37. During the debate Mr. Emmerson, in a fighting speech, somewhat incoherent at times but vehement and full of feeling, explained his position in a general way and denied the accusations of his opponents.

Then commenced the period of Court notoriety which this case received. To the St. John *Sun,* on May 14, Mr. Emmerson stated that he was prosecuting the Halifax *Herald* and the Toronto *World* for publishing the *Gleaner* article, as well as the latter journal itself; but only the *Gleaner* trial really came into the Courts. On the 21st he had its Managing-Director, J. H. Crocket, arrested on a charge of defamatory libel. On the 22nd the Westmoreland County Liberal Association voted enthusiastic personal confidence in their representative's integrity and approval of the course he had taken; Mr. Emmerson addressed them at length upon his political record and declared his readiness to meet all traducers; while Mr. Premier Pugsley sent a telegram from Fredericton expressing the hope that he would soon resume his position at Ottawa. The trial then dragged its way through various mutations. Mr. Crocket's Counsel were J. Douglas Hazen, K.C., O. S. Crocket, M.P., and H. F. McLeod; Mr. Emmerson's Counsel were Hon. W. Pugsley, A. S. White, K.C., A. B. Copp, M.P.P., and J. H. Barry, K.C.; and the preliminary case was tried before Lieut.-Colonel J. L. Marsh, Police Magistrate.

On May 30 the evidence was all in and a little later the case was sent up for trial. It opened in the Supreme Court of the Province, at York, on June 18th, with Hon. P. A. Landry as the Judge. A true bill was found by the Grand Jury. All kinds of pleas and counter-pleas, technical points and delays followed. The prosecution asked for commissions to examine witnesses and was refused; asked for submission of certain contentions to a full Bench of the Supreme Court and this was refused; demanded postponement of the trial, to which the defence objected and which the Judge also refused. On June 26th the Judge finally declined to dismiss the case but allowed it to stand over until the January, 1908, term of the Court. Mr. Crocket was held in small bail for appearance—"if there should be an indictment against him." Practically the prosecution had refused to prosecute, and Mr.

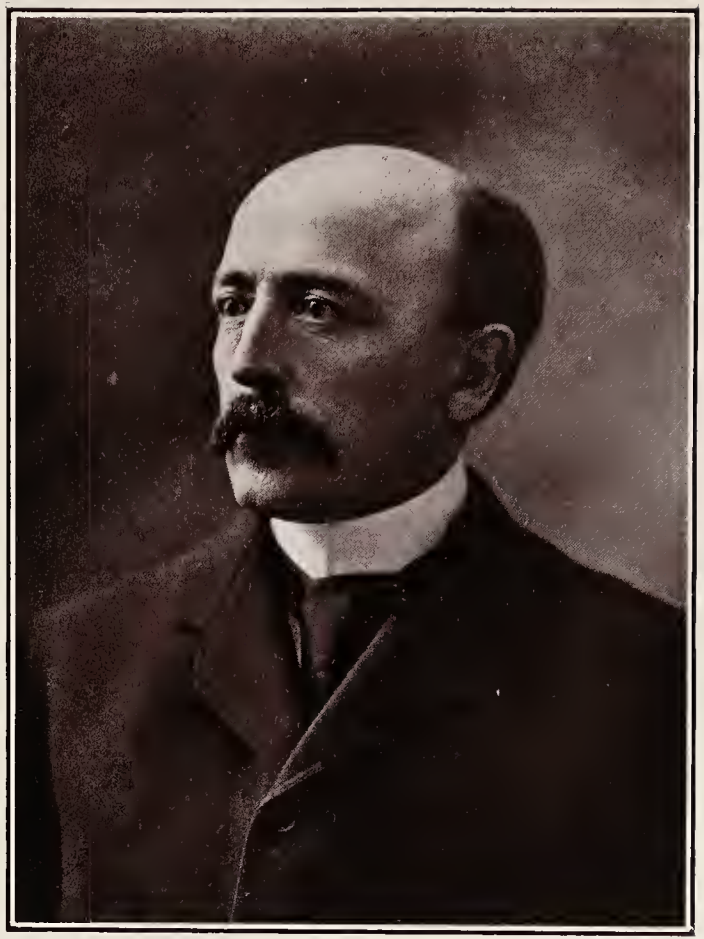
Emmerson's explanation was given to the press on June 27th as follows: "Mr. Justice Landry in his interpretation of the law relating to defamatory libel, decided that it was in the public interest that statements such as that of *The Gleaner,* whether true or false, should be published, providing the writer or publisher believed them to be true when published. His decision removed all consideration as to the truth or falsity of the allegation—that being a very material feature of my case. This legal bar made it absolutely fruitless for me to proceed further and, until the law of libel is differently interpreted by the Courts, it would be a waste of time to proceed with the case; the accused being entitled to acquittal under any statement of the facts."

In these months, and for some time afterwards, Sir Wilfrid Laurier had the difficult task before him of filling the two vacancies left by Messrs. Hyman and Emmerson. He was offered unlimited advice in the matter. A clever Ottawa correspondent of the Boston *Herald* (July 31), E. W. Thomson, suggested W. F. Maclean and Henri Bourassa, and this curious idea aroused a mid-summer discussion; Mr. G. P. Graham, Ontario Opposition leader, was suggested but the idea was at first opposed by the *Globe* on the ground that he was too much needed at Toronto; F. B. Carvell, M.P., and Hon. W. Pugsley were the favourite New Brunswick proposals with the latter leading in public opinion, while Senator Ellis had supporters; the Toronto *News,* of June 24, started a discussion as to Mr. Mackenzie King's suitability for promotion to Cabinet rank which evoked many expressions of personal appreciation for the latter with *The Globe's* statement, however, that it was "hot weather politics"; Mr. Clifford Sifton was much discussed as once more a possible Minister and it was generally understood and announced that a portfolio was available had he chosen to accept it; Mr. Speaker Sutherland, Archibald Campbell, M.P., W. S. Calvert, M.P., and F. F. Pardee, M.P., were some Ontario members frequently mentioned as possible Ministers. Finally, on Aug. 30, the Hon. William Pugsley, K.C., who had, meanwhile, resigned the Premiership of New Brunswick, was appointed Minister of Public Works, and Mr. George Perry Graham, after resigning his seat in the Ontario Legislature and his leadership of the Provincial party, was appointed Minister of Railways and Canals. Mr. Pugsley, who had been a member of the New Brunswick Legislature for 15 years and Attorney-General since 1900, was at one time a Conservative in his affiliations and was known as a popular, shrewd and far-seeing politician. Mr. Graham had been in the Ontario Legislature since 1898 and for a short time acted as Provincial Secretary in the Ross Government and as the successor of Mr. Ross in the Liberal leadership of the Assembly. Both Ministers were elected by acclamation on Sept. 18. On Nov. 26 the former was tendered a banquet by the Brockville Board of Trade as a personal and non-political



THE HON. WILLIAM PUGSLEY, K.C., D.C.L., M.P.

Prime Minister of New Brunswick. Appointed Dominion Minister of Public Works in 1907.



THE HON. JACQUES BUREAU, K.C., M.P.

Appointed Solicitor-General of Canada in 1907.

compliment. The Dominion bye-elections of the year 1907 were as follows:

Constituency.	Date.	Liberal Candidate.	Opposing Candidate.	Majority.
London, Ont.	Oct. 29...	J. D. Jacobs (Lib.-Lab.)	Thomas Beattie	Cons. 1035
Three Rivers, Que.	Feb. 28...	Hon. Jacques Bureau		Lib. Accl.
Victoria, N.B.	Mar. 5...	Pius Michaud		Lib. Accl.
L'Assomption, Que.	Mar. 7...	R. C. E. Laurier	E. L. dit Marsolais	Lib. 170
Richelieu, Que.	Mar. 7...	Adelard Lanctot	A.O. Rondeau (Ind. Lib.)	Lib. 1104
Brockville, Ont.	Sept. 18...	Hon. G. P. Graham		Lib. Accl.
Centre York, Ont.	Dec. 23...	P. D. McLean	T. G. Wallace	Lib. 26
St. John, N.B.	Sept. 18...	Hon. W. Pugsley		Lib. Accl.
Nicolet, Que.	Dec. 30...	G. A. Turcotte	J. C. Heon	Lib. 421
Northumberland, Ont.	Oct. 29...	A. A. Mulholland	C. L. Owen	Cons. 242
N. Wellington, Ont.	Oct. 29...	A. M. Martin	Alex. Hamilton	Lib. 269
Colchester, N.S.	Nov. 28...	Charles Hill	John Stanfield	Cons. 223
Ottawa, Ont.	Dec. 23...	J. B. T. Caron	W. D. Morris	Lib. 3329
Labelle, Que.	Dec. 23...	C. B. Major		Lib. Accl.

Of these bye-elections Mr. Pugsley's threatened for a time to result in a contest. The Minister, himself, became a candidate for St. John and announced his entry into Dominion politics some time before his actual appointment to the Government. A large meeting of Liberals in St. John, held on April 21st, while he was still Premier of New Brunswick, presented a requisition signed by 3,000 electors asking him to contest the seat vacant through the death of Dr. A. A. Stockton, Conservative. In accepting this party nomination he expressed unabated confidence in Mr. Emmerson and every hope of his return to the Department of Railways; promised to work for improved Port and Railway facilities for St. John; and strongly endorsed the late Minister's Intercolonial policy. The party Convention on the 26th confirmed this nomination although Mayor Edward Sears was announced as an Independent-Liberal candidate and the St. John *Globe,* a Liberal organ, was not friendly to Mr. Pugsley's candidature. After his appointment to the Government quite an active local campaign was organized and the Minister made a series of aggressive speeches. At Fairville, on Sept. 16th, he declared that the Conservative party had, in 1904, a campaign fund of half-a-million dollars, that $25,000 of this had been expended in New Brunswick, and he defied Mr. Borden to bring an action for libel if the statement was not true. Eventually Mr. Sears withdrew from the contest. It may be added here that the St. John *Sun,* on Sept. 19, assumed joint responsibility for Mr. Pugsley's statement as to the Conservative fund and challenged Mr. Borden to bring it into the Courts; while the Minister promised to personally protect the newspaper against any possible legal damages from its stand. A few days after this Mr. Pugsley threatened the Toronto *World* with a libel suit for charging him with complicity in what that journal called " the Blair-Russell deal " of 1904. Mr. Borden in Parliament, and elsewhere, demanded details as to the alleged campaign fund, but nothing definite came of the matter.

The Colchester election resulted in a return to the Conservative party of a constituency which it had held for many years

before a Liberal carried it in 1904; the London election was a victory over a Liberal-Labour candidate and a natural result of the scandals revealed in the Hyman election trial; the contest in Richelieu was between two Liberals, while in the Ottawa election Mr. Morris announced himself an independent-Conservative; in the Centre York election the issue was a straight party one and both Mr. Graham and Mr. Borden spoke. An election matter of a different kind was the Halifax case wherein a petition filed against the return of William Roche, M.P., and M. Carney, M.P. (Liberals), in December, 1904, still remained untried owing to the extraordinary delays in legal procedure. At 23 different times in those three years Courts and Judges had considered various phases of the case, and upon one technical pretext and another the trial had been postponed. On July 24, 1907, Mr. Justice Townshend, of the Nova Scotia Supreme Court, ordered the trial to proceed on Sept. 3rd following; on July 29 the Counsel for Messrs. Roche and Carney gave notice of an appeal to the Supreme Court of Canada asking that the petition and the counter-petition against Messrs. R. L. Borden and J. C. O'Mullin be dismissed; on Sept. 3rd motion was granted to have the trial adjourned till after this decision on appeal.

Parliamentary Legislation and Debates of 1907

The third Session of the 10th Parliament of Canada was opened by His Excellency Earl Grey on Nov. 22nd, 1906, with a Speech from the Throne which congratulated the country upon its "unparalleled prosperity," abundant harvest, expanding trade and increasing immigration; referred to the Vice-Regal visit to the West in the past year and to a coming increase in Western representation; promised a revision of the Customs tariff and a measure accepting the British Treaty with Japan; mentioned the success of Canada's exhibit at the Milan Exhibition and the acquisition of the Halifax dockyard "as a base for operations in connection with aids to navigation"; promised legislation as to increased Provincial subsidies and the supervision and inspection of food products. The ensuing Session lasted through 95 days of actual work until April 27th, 1907. It was marked by the passage of 88 private bills, as compared with nearly double that number in 1906, and by the presentation of 56 Ministerial bills of which 10 originated in the Senate. The principal items of legislation comprised Tariff revision and the Industrial Disputes Act—both of which are dealt with elsewhere.

The Dominion Lands Act, introduced by Mr. Oliver, Minister of the Interior, but not pushed through at this Session, was an important measure. Its objects were, briefly, to (1) consolidate the present Land Act and amendments with such changes as experience had proven desirable, and (2) to provide for the disposal of 40,000,000 acres of Western land previously tied up in railway reserves and now to be released by the satisfaction of the Railway companies' claims to land grants. A further purpose in

determining the disposal of the land was to facilitate the construction of the projected railway to Hudson's Bay. The measure was energetically opposed by Mr. Thos. Greenway, the former Liberal Premier of Manitoba, and criticized generally by the Opposition. It was especially opposed by Hon. G. E. Foster on the ground that settlers would be permitted to acquire land at prices and under conditions which would affect the securities of those holding mortgages on Western lands and in other financial connections.

The Hon. Mr. Fisher's Canned Goods Inspection Bill and the measure restricting the export of Electric Power, presented by Mr. Aylesworth, were useful items of legislation. The latter regulated by license the exportation of petroleum and natural gas as well as of electricity, and the home market supply was carefully guarded: "Any such license may provide that the quantity of power or fluid to be exported shall be limited to the surplus after the licensee has supplied for distribution to his customers for use in Canada power or fluid to the extent defined by such license, at prices and in accordance with, the conditions, rules and regulations prescribed by the Governor-in-Council." Other Government legislation included Sir Wilfrid Laurier's measure increasing the representation of Saskatchewan and Alberta to ten and seven members respectively; Hon. Mr. Fisher's Bill encouraging the erection of Cold Storage warehouses through a grant of $150,000 payable in specific instalments over a term of years; the Provincial Subsidies Bill presented in accordance with the arrangements of the 1906 Conference, and succeeding amendments to the British North America Act, and increasing the Subsidies as follows: Ontario, $789,485; Quebec, $599,866; Nova Scotia, $177,659; New Brunswick, $130,000; Manitoba, $142,530; British Columbia, $215,000; Prince Edward Island, $65,345; Alberta, $48,329; Saskatchewan, $136,210.

There was also Mr. Emmerson's measure providing for Pensions to employees on the Government Railways; Mr. Fielding's Bills to increase the borrowing powers of the Montreal Harbour Commission, to provide for further advances to that body, and to authorize a loan to the Quebec Bridge and Railway Company. Of the measures presented by Ministers but afterwards withdrawn, the most important, besides Mr. Oliver's Land Bill, were Mr. Templeman's Act respecting Proprietary and Patent Medicines which met pronounced opposition from various directions, and Mr. Aylesworth's measure empowering Ontario Courts to invalidate marriages between boys and girls under 18 years of age. Of private legislation Mr. E. A. Lancaster's annual amendment to the Railway Act, designed to protect level crossings, was passed by the Commons but defeated in the Senate; Mr. F. D. Monk's Industrial and Co-Operative Bill was held over until next Session with promised Government support; Mr. W. F. Maclean's amendments

to the Railway Act (1) establishing a two-cent a mile rate and (2) legalizing the "scalping" custom in selling tickets, were killed in Committee. Of miscellaneous subjects debated, Mr. J. J. Hughes, of Prince Edward Island, on Jan. 28, introduced a Resolution declaring that the three Maritime Provinces "shall not at any time have fewer representatives in the House of Commons than the number that was assigned to each when it entered into Confederation." After a discussion in which the Premier declined to support the motion and Mr. Borden argued in its favour, adjournment was carried by 78 to 48. Colonel Sam Hughes' motion in favour of Imperial Federation was the central theme of debate on Feb. 11.

An Old-Age Pension Resolution was introduced on Feb. 20 by Mr. R. A. Pringle in the following terms: "That in the opinion of this House, the subject of improving the condition of the aged-deserving poor and of providing for those of them who are helpless and infirm, is worthy of, and should receive, the early and careful attention of the Government and of Parliament." He discussed the subject at length and described the progress of the principle in New Zealand, Denmark, France and Italy, which had all adopted schemes of operation, while Great Britain and Australia were considering action along the same lines. Mr. Pringle described the hard lot of workmen such as the employees in the cotton mills of Cornwall, his own town, who worked hard, got something like $300 a year, raised families, could not provide for their own old age, and were pushed aside when about 65 years old. He did not think that the cost would be excessive or that there were more than 163,000 men over 70 years of age in the Dominion; and if a quarter of these came on the Fund the number to be pensioned would be only about 41,000. Messrs. A. Verville, W. F. Maclean, H. Bourassa, E. Guss Porter and L. Robitaille supported the principle, though doubtful as to details, and the Resolution was withdrawn after Sir Wilfrid Laurier had spoken as follows: "I would be disposed to a system of Old Age annuities, but the great object which I see in the scheme proposed by my Hon. friend is that it is simply, after all, a work of charity on the part of the Government to the aged, though he has objected to the word charity; he wants to claim it as a right. But how can he reconcile the idea of a right with the scheme which he has proposed? The person who is to become, under this scheme, the recipient of such a pension is not called upon to contribute a single farthing to it, but it is expected that at a certain time, when he reaches the age of 65 years or 70 years, without having contributed anything of the Fund, he shall become the recipient of the nation's bounty. If my Hon. friend (Mr. Pringle) had proposed a scheme based upon some contribution to be made by those who would be the participants in the Fund, I for my part would be disposed to favour it."

In the Senate, on Feb. 28th, Sir Richard Cartwright spoke with care, and as the evident result of close study, upon the general question of Old Age annuities as distinct from Pensions. The former plan he strongly favoured, believed that a system could be evolved in Canada, and had prepared a tentative Bill for public consideration which he would present to the Senate. But certain things were essential to success. In the first place the plan should be absolutely safe and, therefore, should be undertaken by the State, in order to inspire confidence in the classes it was desired to reach. In the second place there must be absolute freedom from the possibility of forfeiture. No scheme would be of much use to a workingman if, on his ceasing to pay for a time, he should lose what he had put in. There must also be a provision allowing the resumption of payments after interruption for a time, while the annuity itself should be exempt from seizure. In the third place there should be no possibility of anticipating the benefits. There should, however, be a provision that if a man died his heirs could recover the money he had paid in with a reasonable amount of interest. The general idea was approved by Senators G. W. Ross, D. Ferguson and M. Sullivan, and opposed by Hon. James McMullen.

Mr. Armand Lavergne (Ind. Lib.) had the floor in the Commons on Apr. 25th with a Resolution declaring that the French language should be "placed on a footing of equality with the English language in all public matters—for instance, in the coinage of moneys and in the administration of postal affairs." The subject was debated in an academic way, but no conclusion reached; the Premier declaring that practical equality existed now. On Mar. 5th Mr. W. F. Maclean presented the following motion: "That in the opinion of this House the Government of the day is responsible for the due enforcement of all Federal laws, and that if any further legislation is necessary to secure such due enforcement and punishment of violations thereof, it is the duty of the Government to forthwith introduce such legislation." The Hon. A. B. Aylesworth, Minister of Justice, declared that such a course would be against precedent, and custom, and the practice of the British North America Act, as well as a contravention of Provincial powers. There was no machinery for such enforcement and the creation of machinery would be impracticable. Mr. R. L. Borden opposed the Resolution but did not wholly agree with the Minister's views. Sir Wilfrid Laurier did.

The ever-present Cigarette question was discussed on Mar. 4th with condemnatory motions or amendments by Messrs. R. Blain, S. Barker and Alex. Johnston. On Mar. 6th Mr. A. C. Boyce moved a Resolution declaring that "the Government ought not to continue in office public servants who, in violation of their duty, make use of their official positions to promote their private interests." It was lost by 54 to 94 votes. Mr. H. J. Logan's Resolution

proposing to confine the Preferential tariff privilege and rates to goods imported *via* Canadian ports, on and after May 1, 1908, was presented on Mar. 7th. After a debate the Premier accepted the principle but changed the terms of the motion to a date to be named by the Governor-in-Council. A much-discussed measure in Ontario was the Hamilton Radial Electric Railway Bill which, it was claimed by the Opposition, would be a gross infringement of Provincial rights if its promotors—chief of whom was Lieut.-Colonel J. M. Gibson, of Hamilton—should succeed in passing the clause declaring the projected line to Toronto "for the general advantage of Canada," and, therefore, under Dominion jurisdiction. The Minister of Justice (Mr. Aylesworth) in guarded language and on legal grounds, expressed (April 23) sympathy with the Company's desire. Both the Minister and Mr. Borden, in reply, went largely into technical matters, but, stripped of these, the issue was mainly whether this particular Radial line should come into Toronto on specially favourable terms or under conditions leaving to the City full control over its entrance, its terminals, etc. Of course there was a good deal to be said for the rural districts which would benefit by the construction of such a road. Ultimately the measure—really a private bill introduced by Mr. A. Campbell—after having passed the Senate was dropped for the Session. In *The Globe,* of April 24, Colonel Gibson had a lengthy letter defending the proposal and attacking the position of Toronto and the newspaper in question.

On April 15th one of the occasional and seemingly inevitable religious issues which come upon the stage of Canadian politics from time to time was created by Colonel S. Hughes who, a week before, had referred in a casual way to the influx of Catholic clergy from France as "a curse to Canada," and who now undertook to defend himself by describing these particular priests as preferring "to observe the laws of Rome rather than the laws of France!" In reply Mr. Bourassa made some scathing remarks and a brief but earnest defence of his Church and its clergy; Mr. Borden declared his emphatic disagreement with Colonel Hughes in this connection and gave details of the holy lives of priests whom he had known as indicative of their general character. He endeavoured to stop further discussion, but Messrs. Lemieux, O. E. Talbot, J. G. H. Bergeron, C. R. Devlin, and W. Roche all attacked Colonel Hughes in turn for the use of this phrase, while the latter again declared himself misunderstood while renewing his protest against what he termed "ecclesiastical tyranny."

Central figures in the various debates of this Session, apart from Members of the Government, were Henri Bourassa, keen, aggressive and antagonistic to everything which savoured in the remotest degree of graft or corruption; G. W. Fowler, a fighting Conservative, who did not care how hard his words hit the enemy and who struck out right and left in discussions which left a deep

impress upon the political history of the year; Hon. George E. Foster, who had to defend his reputation against the most difficult of all charges to meet—the indirect insinuations and attacks of evidence which had come before the Insurance Commission but which were not crystallized into any specific charge. The Opposition could not carry actual legislation through the House, and the absence of the Premier, Mr. Brodeur, and Sir F. Borden in London made a difference in the net result of the Session's work; but Mr. Borden and his followers certainly maintained in public criticism their share of the proceedings. Apart from the sensational utterances of Mr. Fowler the atmosphere of the debates was heavy with charges of various kinds and a brief summary of the Conservative Resolutions of the Session may be presented here.

On Dec. 10 Mr. John Herron took advantage of Western troubles over the coal supply to move that "coal lands owned by the Government of Canada should only be alienated under such conditions and subject to such regulations as will provide for an immediate supply of coal adequate at all times to the requirements of the people, and at a reasonable price; and that in respect of coal lands already alienated, Legislative provision should be made for such control and regulation in emergencies as will prevent loss and suffering to the people of the West." A Government amendment, however, declaring that existing Western conditions did not arise from any defect in legislation, but were due to lack of transportation facilities and Labour troubles, was carried by 77 votes to 39. On Feb. 5th Mr. M. S. McCarthy moved a condemnation of the Government for the alleged Robins' Irrigation arrangement under which a block of 380,000 acres of Government land near Calgary was said to have been sold to party friends at $1.00 per acre and then transferred by them to English capitalists with a profit of $500,000 before a cent had been paid for the property. The motion was debated and then defeated by 86 to 53 votes. On Feb. 21 Mr. Herron presented a Resolution condemning the Government in connection with the alleged Galway Land transaction under which a Liberal member of Parliament (Mr. A. J. Adamson) was said to have cleared $200,000 on the sale of a concession for which he had paid the Government $650. The statements were denied and the censure defeated by 80 votes to 49.

Mr. R. S. Lake, on April 12th, moved a Resolution in the Blairmore site affair accusing the Department of the Interior of collusion in confirming a political supporter in possession of ownership rights in a town site—valued at $100,000, which he was alleged to have obtained by fraud—and declaring that such action should receive the condemnation of the House. It was rejected by 56 to 27. In the Public Accounts Committee a prolonged dispute as to documents and witnesses in connection with certain Grand Trunk Pacific charges and vouchers resulted in a House

motion by Mr. S. Barker demanding full Inquiry into the facts—which was defeated by 148 to 49. Then came Mr. Bourassa's motion on Mar. 26th asking for an investigation into the Fowler charges and into the position of Mr. Foster and others dealt with by the Insurance Report and this was rejected by 100 to 52. Mr. F. D. Monk asked, by motion on April 4, for the names of those concerned in the much-debated North Atlantic Trading Company contract with its receipt of some $300,000 from Immigration fees. This was refused by a vote of 89 to 50—chiefly on the ground of possible injury to those who were living in European countries where the encouragement of emigration was forbidden.

On Apr. 15th Mr. R. L. Borden moved a Resolution expressing regret that the 1905 regulation as to non-interference in partisan work by Government officials was being violated in various parts of the country. The motion was rejected by 70 to 40 votes. In a Resolution presented on Apr. 26th and voted down by 91 to 43, Mr. Borden censured the increasing public expenditure and declared that the public assets were being depleted by partisan and corrupt grants and concessions, by the operations of middlemen making big profits and "rake-offs" on public business, and by election frauds involving the further expenditure of large sums of money. Another motion by Mr. Borden on the following day was rejected by 88 to 44. It deplored the alleged existence of corrupt and fraudulent practices at elections; condemned the "organized system of corrupt practices" shown in the London election of 1905; expressed regret that the Government had not kept its promise to introduce legislation checking such operations and declared that:

> This House is of opinion that the existing electoral laws should be amended forthwith and that provision should be made (1) for the more effective suppression and punishment of bribery; (2) to prevent the fraudulent marking, counting or substituting of ballots and other similar frauds; (3) for the better regulation of the conduct of elections on the part of both officials and candidates; (4) to prevent the accumulation of huge campaign funds and to prohibit contributions thereto by corporations, contractors and promoters; (5) to expedite the hearing of election petitions, to prevent collusive arrangements for the discontinuance thereof, to provide for thorough investigation of corrupt practices, and to simplify the procedure therefor; (6) to carry out more effectually the law so amended.

Of course these Resolutions necessarily gave a partisan and one-sided view of these questions. There were two sides to practically every case of the kind and *Hansard* will have to be consulted at the dates indicated in order to see the claims and charges, the replies and counter-charges, the varied details and discussions. To apportion blame or offer criticism is not the purpose of this volume. One other debate, however, must be referred to here—that on the Insurance Report. The document itself, in general terms, and the Fowler utterances in a more specific way, have been

already dealt with. On Feb. 26th the Report was presented to the House; on the following day the Toronto *Globe* had the rather curious editorial statement—in view of Mr. Foster's claim that the investigation was, in his case, political and partisan—that "a most interesting part of the evidence from a public and ethical rather than from an insurance standpoint was that given by Messrs. Foster, Fowler and their associates"; on Mar. 8th Mr. Bourassa demanded in Parliament that an investigation should be made into the Report and its charges—direct or implied—as well as into Mr. Fowler's personal aspersions and the Prime Minister pointed out in reply that the Commission "made no report against anybody," while as to alleged implications he was not in a position to speak; on March 26th Mr. Bourassa repeated in formal terms and by motion his request for a full inquiry.

The ensuing debate was a fiery one—charged with the electricity of both personal feeling and partisan animosity. Mr. Bourassa's speech was careful and unimpassioned and amounted to the statement—though never in direct or specific terms—that the Royal Commission on Life Insurance, by the evidence before it and the official summaries of that evidence, had practically charged members of Parliament such as Senator Cox,* Mr. Foster, and Mr. Fowler, with wrongdoing from the standpoint of Insurance laws and trust obligations; although laying down no specific or direct charge in the conclusions of its Report. For these reasons he believed Parliament should make an investigation into the matter as well as into the collateral and personal insinuations of Mr. Fowler against certain Ministers of the Crown. Mr. F. B. Carvell (Lib.) followed in an attack upon Mr. Foster's land transactions and then Sir Wilfrid Laurier described the Bourassa Resolution as the most extraordinary one he had ever seen or heard of. The House could not and would not investigate rumours. Who and where was the accuser; what and where was the accusation? Everything was unsubstantial, vague and indefinite; as to the Report Mr. Bourassa did not express his own opinion, but quoted street comments and press criticisms! He could see no reason "for any further investigation of the facts disclosed by the Commission."

Mr. R. L. Borden claimed that Mr. Carvell had been put up purposely to attack and, if possible, injure Mr. Foster; denounced the Royal Commission as not only partisan in its treatment of Messrs. Foster, Fowler, Bennett and Lefurgey but as having unsuccessfully tried to reach and hurt the Opposition Leader himself; criticized the Premier for shutting down inquiry as to his own Ministers and for not condemning the roving inquisition of the Insurance Commissioners, while objecting to the general terms of the Bourassa motion; and expressed the Opposition's willingness to face any reasonable inquiry into the conduct of its leaders

* Note.—For Senator Cox's reply see page 70 of this volume.

and members. Mr. Fielding very briefly defended the Commission as impartial and judicial in its treatment of conditions. As to the Fowler allegations they were mere matters of suggestion and suspicion. There were no charges nor the shadow of a ground for investigation. The Hon. George E. Foster followed and did not mince his words or statements: "I have come to the deliberate conclusion down in my heart (it will stay there as long as I live; though I live to be as old as Methuselah) that one of the most diabolical attempts has been made under the shadow of that Commission to asperse and if possible destroy the character of a fellow-member of this House that has ever been known in the history of Government Commissions." He accused Mr. G. F. Shepley, K.C., the Government Counsel before the Commission, of being in league with the Minister of Justice to lead the inquiry along lines which would injure political opponents and which had nothing properly to do with the objects of the investigation; described newspaper reporters and critics as writing absolute lies about himself in connection with this subject; denounced what he termed the autocratic conduct of Mr. Shepley and the Commission in preventing his (Mr. Foster's) Counsel from asking questions or defending his client against the continued aspersions of twisted testimony; pointed out that the four years of his management of Foresters' funds in the Union Trust Company were years of almost unexampled prosperity, with so-called "speculations" proving most profitable investments and netting large cash profits to the Company.

On April 10th these statements, and many more, were elaborated by Mr. Foster in one of the cleverest and bitterest speeches heard in the House during many years. He took up the implications, impressions, or suggestions of the Report one by one. The first one was that which implied that he had imperilled or diverted the Foresters' trust funds, and this he answered by proving that the profits of the Union Trust Company were $523,874 in less than five years. Other alleged impressions given by the Report were met by the statement that the Directorate of that Company were fully responsible with him for all investments made; that every investment was absolutely legal and he defied proof to the contrary; that he had never accepted a commission for dealing in Trust Company moneys nor had he improperly used such funds to his own advantage in any way, shape, or form. Space will not permit fuller consideration of this speech—always aggressive, sometimes pathetic, filled with details and explanations, facts and figures. He concluded by declaring the Report an outrage and demanding its return to the Commission by Parliament for change and correction:

> In common justice, Sir, from man to man, have I not the right to ask this House to keep out of its records, where they otherwise will lie until the eternal doom is sounded, lies, misrepresentations, concealments

of truth, improper allegations and inferences with reference to my character and standing as a business man? What right has this House to perpetuate an injustice upon any one of its members? What right has this House to ask that the public money of this country shall be voted to brand me a common grafter for all eternity? I will fight it until I die. I shall protest against it as long as there is a breath in my body, and I shall consider it a most damnable wrong against myself and the rights of any common human being that such a course of procedure should be carried out. I protest and I conclude my remarks for the present by this protest.

The Hon. A. B. Aylesworth, Minister of Justice, followed in a cool, analytical, logical speech with, however, one or two curiously vehement remarks such as the attempted comparison of Mr. Foster's Trust Company "speculations" with the "similar efforts" of the General Manager of the Ontario Bank. As to the charge of having personally influenced the Commission the Minister was emphatic: "So far as the Commission is concerned I never had any sort of communication, suggestion, direction, instruction, or any other word you may choose, with any member of it in regard to the business of the Commission." Mr. R. L. Borden defended Mr. Foster's attitude and declared that neither he nor the other witnesses were in such a position before the Commission as they would have been in an ordinary Court—as Mr. Aylesworth had claimed. "They were called as witnesses before that Commission, but they were called as witnesses against whom charges were being laid by the Counsel appointed by this Government to carry on the work of investigation. They were called up as men against whom a charge was made and subjected to an inquisition and interrogation altogether unknown to the English law, although it is known to the law of some other countries. They were not given the right to cross-examine by their own Counsel; they were not given the right to call in witnesses for the purpose of controverting any statements made against them." The debate proceeded with a vigorous attack upon the Commission in general and upon Judge McTavish and Mr. Shepley, in particular, by Mr. W. H. Bennett. It may be added here that Mr. Shepley was appointed Counsel in this matter by Mr. Fitzpatrick, then Minister of Justice, and not by Mr. Aylesworth, and that he had not before this borne the reputation of being a partisan. On April 11th and 12th the discussion continued amidst stormy scenes and personal attacks with fighting, vehement speeches from G. W. Fowler, A. A. Lefurgey, and other Conservatives, with an address upon Insurance matters from Mr. W. F. Maclean, and brief concluding remarks from Messrs. Foster and Aylesworth. The press comments upon the debate were pretty much along party lines, although the Montreal *Star* and Toronto *News* were decidedly hostile to Mr. Foster's statement of his case. Perhaps the strongest criticisms in this respect were the series of attacks made in June upon Mr. Foster by the Edmonton *Bulletin*—supposed to be the organ of the Minister of the Interior (Mr. Oliver).

Parliament was prorogued by Lord Grey on Apr. 27th after the passage of 142 bills and with a Speech of congratulation upon the continued prosperity of the country and as to the chief items of legislation during the Session—including tariff revision, increased Provincial subsidies, cold storage encouragement, the Labour Act and lower Postal rates. Some miscellaneous matters in this connection should be mentioned. On Mar. 1st Mr. C. H. Beddoe of the Interior Department reported, after investigation in Europe as to the affairs of the North Atlantic Trading Company, that it had fully carried out its contract with the Government and had spent more than $60,000; that it had maintained emigration agencies at 8 European centres which were named; that the salaries were light, the postage heavy, and that more than 800,000 copies of a Canadian pamphlet had been circulated in 17 languages. In the Senate on Feb. 20th there was some discussion of Senator Power's claim that the "time has come for Canada to make a formal declaration of the possession of all lands and Islands situated in the north of the Dominion and extending to the North Pole." Sir R. Cartwright pointed out that an expedition was then in the north exploring, planting the Canadian flag, establishing ports and making good Canada's title to the ownership of various lands. An interesting discussion occurred in the press during the year arising out of Sir Wilfrid Laurier's Parliamentary use of the famous phrase describing the 19th Century as belonging to the United States and the 20th Century as Canada's Century. Dr. George Johnson, formerly Dominion Statistician, claimed to have originated it in the *Commonwealth,* an Ottawa journal, of January, 1901; while Mr. J. T. Clark claimed to have used it in a Toronto *Star* editorial on Jan. 1, 1900. The *Globe* declared that the late Rev. Dr. Robertson had used it many times in the West during the later nineties.

The Fourth Session of this Parliament was opened on Nov. 28th and, during the succeeding month, prepared the preliminaries for its work of the coming year—with which this volume does not deal. His Excellency's Speech from the Throne again expressed congratulation on the expansion of trade and revenue and the flow of immigration; expressed the hope and belief that the financial stringency would be only temporary; described the recent Colonial Conference as having "satisfactorily dealt with many subjects in which the Empire at large is interested"; referred to the French Convention, the Newfoundland question and the Japanese controversy, and stated that the difficulty of obtaining labour and supplies had retarded construction on the National Transcontinental, though adding that in "a very short time the whole work from Moncton to the Pacific Ocean will be under vigorous construction"; mentioned, with regret, the Quebec Bridge disaster and with approval the large current reductions in

Postal rates; described the time as having come when the public interest required that Telegraph and Telephone Companies holding Federal charters should be placed under Government control; promised measures extending the boundaries of Manitoba, providing for the issue of Government annuities for Old Age, dealing with the Insurance Act, and amending the Elections and the Dominion Lands Acts.

Of the debates which followed in the next few weeks it may be said that Sir Wilfrid Laurier, on Dec. 2nd, reviewed Mr. Borden's Halifax platform, which he said was made of India-rubber, and described the Colonial Conference with characteristic vagueness except in the statement that its status and composition were now fixed terms; that Mr. Borden advocated Public ownership in vigorous words but in detail demanded an Intercolonial Commission, while Mr. Fielding raked the Opposition fore and aft in a clever party speech; that on the 10th Hon. W. Pugsley was vigorously attacked by Mr. A. E. Kemp, of Toronto, as to his 1904 campaign charges and defied by him to repeat them in Parliament—a defiance not then taken up; that on the 17th and 18th Oriental immigration was again discussed and the new Insurance Bill also presented on the latter date.

Mr. Fielding's Financial Policy and Tariff Reform

The Hon. W. S. Fielding was largely in the public eye during 1907. He was supposed by the press to be the heir to the Liberal Premiership—so far as his party could give him that honour—and during Sir Wilfrid Laurier's absence in England and Europe he was Leader of the House and acting-Premier. He also helped in the negotiation of the French Convention, aided the Banks in financing the crop shipment of 1907 and, as Minister of Finance, passed a new tariff bill through Parliament. On Nov. 29, 1906, Mr. Fielding presented his 11th Budget to the House. He described the fiscal year, ending on June 30, 1906, as one of financial as well as general prosperity. The estimated revenue was $79,000,000 and the actual revenue $80,139,360; the estimated expenditure chargeable to Consolidated fund account was $66,500,000 and the actual expenditure $67,240,640; the estimated surplus $12,500,000 and the actual surplus $12,898,719. The revenue had increased over 1905 by $8,956,000, or 12½ per cent., and the expenditure by 6 per cent. In addition to this regular, or Consolidated fund, expenditure there was the capital expenditure of the year, amounting to a total of $16,037,000, of which $6,102,565 was upon Railways, $1,552,121 upon Canals, $2,359,528 upon Public Works, $1,299,875 upon Militia, $1,637,574 upon Railway subsidies, and $2,400,771 upon Bounties. For the newly-created fiscal year ending March 31, 1907, he estimated the nine months' revenue at $65,000,000 and the expenditures at $52,000,000. The Finance Minister then

turned to consider the tariff with a preliminary statement of conditions in the course of which he said:

> Now that we are approaching the question of a general tariff revision, we again wish to keep in mind this idea of tariff stability. We do not desire to make radical changes. We feel that the general condition of Canada to-day is such that no radical changes in the tariff are called for. In accordance with the intentions recently expressed we are changing the shape and form of our tariff. We are adopting new forms of schedules but, after all, it will be found that no very great and no very radical changes are being made in the Resolutions it will be my duty to present. We have had from time to time discussions with Honourable gentlemen opposite with regard to encouraging manufacturing industries. I do not think there is, certainly as to the principle, a very wide difference between us. We all agree that we should like manufacturing industries to prosper in Canada, always provided it does not cost too much. I suppose the question of difference between us would be as to where the proper line should be drawn.

The proposed changes included a new classification of goods in groups according to their nature; some alteration in the wording of the tariff and in the location of the free list; and the following arrangement: "We propose to have three tariff columns —the general tariff which will be, in large degree, the tariff of to-day. Not absolutely, of course; it will be varied; but substantially speaking the tariff will not be much different from the tariff of to-day. There are a few items in which there is a higher rate than in the tariff of to-day; but, as a rule, the general tariff of to-day, and the general tariff of the new schedule, will be nearly the same. Then there will be the Intermediate tariff. And lastly there will be the British preference. With regard to the Intermediate tariff it is not intended, as I shall explain, to go into operation at once." As to the effect of these changes Mr. Fielding declared that the alterations in the Preferential tariff were not of great importance, that the Government desired to turn trade toward Great Britain wherever possible, and that he believed the new Preferential details would work out more beneficially than the old. As to the Intermediate tariff he stated that its column would contain rates of duty somewhat below the rates of duty in the general tariff. "On duties of 30 per cent. or less, roughly speaking, the reduction is about one-tenth; in some cases it may be a little more. The Intermediate tariff will have rates which are somewhat below the rates of the General tariff, but still leaving a material preference in the British column. We propose to adopt this Intermediate tariff as an instrument by which we may conduct negotiations, from time to time, with any country which is willing to give Canada favourable conditions."

A little later it was applied to France but, meanwhile, Mr. Fielding referred in this general connection to the most-favoured-nation clause which exists in so many British treaties and from which Canada had received considerable advantage. "If we

should bring in one foreign country under the privileges of this new tariff, although that country should give us concessions which would repay us, the effect would be that we would be obliged to give the same advantages, without any return from them, to a number of countries which possess these favoured-nation treaties." A change was announced in the matter of drawbacks, or rebates to manufacturers on special raw materials, and the Minister explained it as follows: "There are, however, a number of articles which could possibly be used for more than one purpose, and on these we say that hereafter the duty must be paid; but, so that the importer will not be placed in a worse position, we make a refund in the shape of a drawback to the extent of 95 per cent. of the duty, upon proof that the article has been used for the purpose designed, and for no other purpose." Another change was the abolition of the free import of goods for Government purposes; another modified the anti-combine clause in the existing law by making a judicial decision necessary before any arbitrary alteration could be made in the tariff to meet the alleged combine; still another amended the anti-dumping clause, or dumping duty, as it was now called, to apply it to free goods as well as dutiable. Mr. Fielding hinted at a possible understanding with Germany and the removal of the Surtax, but no immediate action was suggested.

After reviewing the changes in iron and steel bounties and describing the resulting benefit to industries at the Sault, Midland, New Glasgow, Sydney, etc., he analyzed the proposed tariff changes. They included a reduction on lead and its manufactures; a slight preferential reduction on manufactures of japanned ware, tin, zinc and aluminum; an increase on brass manufactured products from free to dutiable; an increase in duties on manufactures of nickel-silver, German silver, Britannia metal, sterling silver, and other plated ware; a reduction in the preferential rate on pig-iron, rolled iron, rolled shapes, etc., and bar-iron or steel (rolled); boiler tubes, rolled iron or steel bars, etc., and similar manufactures made free under the Preferential tariff and dutiable to Foreign countries; a reduction in duties on electrotypes, stereotypes, matrices; a slight reduction on typewriting machines, windmills, mowing machines, threshing machines and various tools and agricultural implements; an increase in the general rate and a decrease in the Preferential rate on telephone and telegraph instruments, electric and galvanic batteries, electric motors, dynamos, generators, etc.; various items of mining machinery transferred from the free to the dutiable list and others from the dutiable to the free list; reduction in duties on glucose and syrups, a slightly decreased preferential rate on flannels, blankets, knitted goods and a small increase on carpets; free admission of text-books for schools and colleges; increased duties on perfumery; gasoline, or naphtha, placed on the free list;

reduction on rice, and the placing of oranges, lemons and limes on the free list; an increase of 7½ cents per 100 lbs. on raw sugar when imported from a British country and of 12 cents under the general tariff.

Mr. Fielding added an expression of belief that his new tariff was a moderate one—helpful to industry and not hurtful to the consumer. He was followed by Hon. George E. Foster, for the Opposition, in a strong arraignment of the Government for extravagant expenditure. The details of the tariff he did not discuss to any extent. He stated that in the last five years of Conservative rule, 1892-96, the taxation raised in Canada totalled $138,106,054, or a yearly average of $27,710,412; in the following five years of Liberal Government the total was $170,168,924, or an average of $34,033,785; in the next period of five years, 1902-6, the total was $260,160,877, or a yearly average of $52,080,438. He spoke sarcastically of the party which at one time was so pledged to economy and went on to declare that the taxation per head in 1896 was $5.43 and in 1906 $10.00. In 1892-6 the Conservative expenditure averaged $210,708,889; in 1902-6 the Liberal average was $360,054,196. After analyzing these expenditures Mr. Foster added: "Would you believe it, Mr. Speaker, that in ten short years this present Administration has managed to spend $498,000,000 as compared with $597,000,000 of expenditures in the preceding 18 years, and out of that immense expenditure of $498,000,000 in ten years they have only spent $52,000,000 upon works of this great and productive character that I have mentioned. That, I think, disposes pretty effectually of the plea that though this Government has spent lavishly and largely they have spent the money on great productive works." Dealing with the total expenditure of 1906-7 as $83,000,000 he estimated that of 1907-8, including Transcontinental requirements and maturing debts, at from $115,000,000 to $120,000,000. He asked where this was going to stop and produced a table of expenditures in the various Departments and financial divisions showing an increase between 1896 and 1906 of 146 per cent. on arts, agriculture and statistics; 126 per cent. on Fisheries; 601 per cent. on Immigration; 555 per cent. on Quarantine; 42 per cent. on lighthouse and coast service; 129 per cent. on mail subsidies and steamship subsidies; 277 per cent. on Militia and Defence; 459 per cent. on ocean and river service; 106 per cent. on Pensions; 508 per cent. on Public Works; 250 per cent. on railways and canals; 551 per cent. on trade and commerce; 278 per cent. on Dominion lands; 248 per cent. on scientific institutions.

So much for the new tariff and financial conditions. The discussion of the subject lasted well into 1907. The Canadian Manufacturers Association did not like the former and said so plainly on Jan. 26th in a statement signed by the President and

Secretary: "The proposed tariff will not, in our opinion, encourage either the establishment of new industries or the further development of those already established. Its mere announcement has caused the abandonment not only of many proposed extensions of existing industries, but also of new enterprises which, if carried out, would have secured to Canada the investment of millions of dollars. We respectfully submit that we were warranted in believing that the new tariff would impose a higher scale of duties on articles coming from countries which maintain high tariffs against Canada. The maximum schedule as submitted is, however, to all intents and purposes, the same as the old general tariff, which has already been found insufficient to secure the extension of existing enterprises, or, in the case of some industries, even to keep them alive. The Intermediate tariff is considerably lower than the old general tariff. It is an innovation which will, if agreed upon, stand as a continuous invitation to countries competing with Canada to negotiate with a view to having it made effective. If the same should at any time become operative in favour of any of Canada's competitors it would deal a blow to Canadian enterprises and prove disastrous to many lines of industry."

In the Commons, on Jan. 22nd, the changes in duties on vegetables were discussed at length and the Government was asked by market gardeners for higher rates, while in Committee, on the 31st, various industries and the new rates thereon were debated. On April 3rd, also in Committee, Mr. F. L. Schaffner, of Souris, moved to reduce the duties on mowers, binders and other agricultural implements in the General tariff from 17½ to 10 per cent., and was supported by Messrs. R. S. Lake, John Herron, W. D. Staples, Dr. Roche, David Henderson, of Halton and R. N. Walsh, of Huntingdon, P.Q.—all Conservatives. Mr. Paterson, Minister of Customs, declined to accept the proposal as the intended tariff reduction from 20 to 17½ per cent. was thought sufficient; any more would be injurious to the Implement industry. Mr. R. L. Borden could not support it because of lack of information as to the alleged combine amongst the manufacturers—information which he thought the Tariff Commission should have obtained. "Adequate protection I stand for as much as I ever did; but I do not stand for adequate protection under conditions which will make our people pay more than they ought to pay for agricultural implements, or anything else." The motion was lost by 56 to 22, but the unusual spectacle was seen of four Western Liberals voting against a proposed tariff reduction—D. W. Bole, W. E. Knowles, J. G. Turriff and Hon. F. Oliver—while 10 Western members of that party refrained from voting, or were absent; together with the curious appearance of Messrs. R. L. Borden, G. E. Foster, George Taylor, Dr. Sproule, and J. W. Daniel voting in support of the Government.

At their Toronto meeting on Sept. 24 the Canadian Manufacturers discussed the general tariff situation at length and reiterated the views expressed earlier in the year. President H. Cockshutt urged that: "A tariff which, under the most favourable circumstances, barely enables our manufacturing establishments to relatively hold their own cannot but prove utterly inadequate to stem the swelling tide of imports when the Foreign producer seriously and systematically prepares to unload his surplus products on the Canadian market. And this he will do as surely as the sun will rise on the morrow, the moment that darkening days begin to restrict his trade in other quarters. No hastily improvised tariff will then suffice to secure for Canada a continuance of her present prosperity. Retrenchment, not expansion, will be the policy of capital. Production will be curtailed, workmen will be thrown out of employment, and hard times will once more be found knocking at our doors." Mr. Edward Gurney declared that what the Association ought to do in future was "to instruct the Tariff Committee that until every industry in the country was adequately taken care of the politics of the Association would be tariff"; in reply to an interruption he said: "I would make the tariff as high as Haman's gallows if it would keep the Yankee out." Late in November the Association issued a circular declaring that owing to the financial stringency in the United States certain lines of manufacture were being "slaughtered" or dumped in Canada. On Dec. 5th its Executive asked the Government to appoint a Permanent Tariff Commission with powers of administration and control similar to those of the Railway Commission over Railway rates. Meantime, the Dominion Grange and Farmers' Association of Ontario were taking strong grounds for lower duties.

There was no Budget during the calendar year of 1907 owing to the change in the fiscal period from June 30th to March 31st. The Public Accounts for the nine months ending March 31, 1907, published on October 31st, showed receipts on Consolidated fund account of $67,969,328 and expenditures of $51,542,161, or a surplus of $16,427,167. The expenditures on Capital account totalled $14,235,977, of which $5,537,867 was on the National Transcontinental, $1,473,907 on the Intercolonial, $1,797,871 on Public Works, $1,581,944 on Bounties and $1,324,889 on Railway subsidies. The total Liabilities of Canada at this date were $379,966,826, the total Assets $116,294,966, and the net Debt $263,671,859—or a reduction of over $3,000,000 in the nine months. In the Commons, on Dec. 11th, Mr. Fielding stated his authorized expenditures for the year ending March 31, 1908, at $116,484,727, of which $41,969,051 was on Capital account, and his estimated expenditure for the succeeding 12 months as $119,237,091. Meanwhile the Minister of Finance had been met by the sudden stringency in financial affairs of this year. A part of the press turned to him and the Government for help in the emer-

geney which the tightened eireulation of money had brought about; others eritieized the Government for holding and using the $60,000,000 deposited in Government Savings Banks and contended that this should be in eireulation amongst the people by being kept in the ordinary business and investment ehannels of the ehartered Banks; some persons and papers advoeated an extension of the Dominion note system, under whieh the Government eould at present issue $30,000,000 of bills upon a gold reserve of 25 per cent., and of whieh only $14,000,000 were outstanding in small denominations on May 31st. In the autumn strong appeals eame from the West for help in moving the erops; for money with whieh to meet the imperative shipment of grain to the waiting markets of the world; in protest against the alleged inability of the Banks to meet the situation. Interviewed on Nov. 6 Mr. Fielding said:

> No doubt there are special circumstances which increase the monetary stringency in some quarters, but the general foundation of the difficulty is to be found in the fact that the business of the country has been expanding more rapidly than the available capital. The difficulty is one of the penalties of prosperity. As to the special condition of affairs in the West there is, unfortunately, much conflict of statement. On the one hand, it is alleged that the Banks are refusing to supply the means necessary for the special handling of the crops; on the other hand, leading bankers have stated through the press that the Banks are giving accommodation for all the immediate transactions, and that it is only speculative business for which money cannot be found. We are trying to ascertain the real facts of the case.

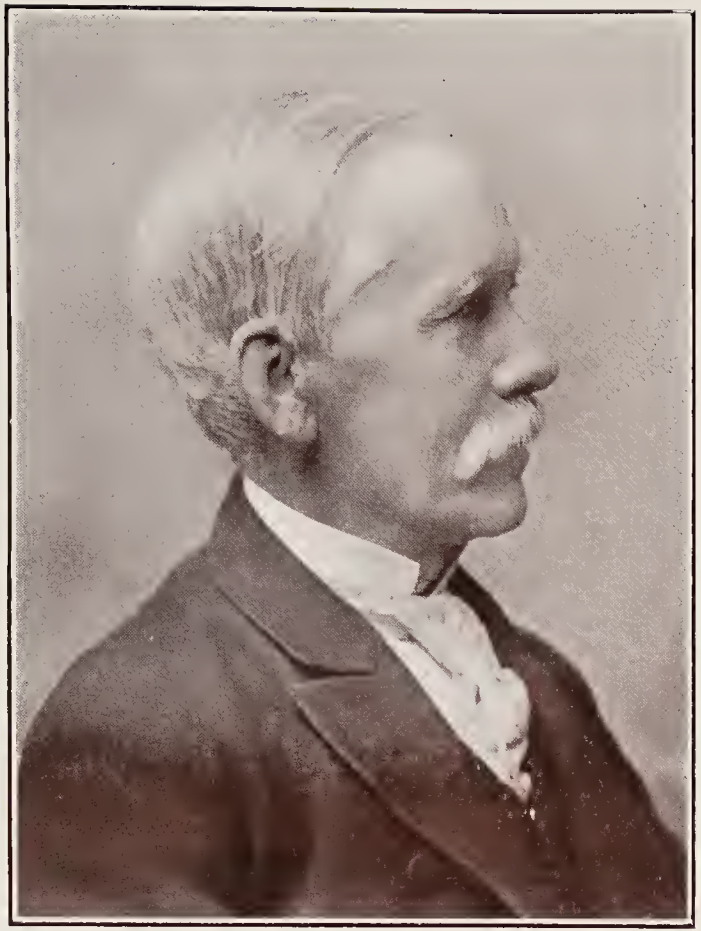
It was pointed out in eonneetion with the United States Government's special aid to Ameriean banks at this time that in Canada the Government moneys all go into the Banks on deposit as soon as reeeived. Reeent returns at this time showed over $5,000,000 of Dominion money and $10,000,000 of Provineial money thus on deposit. On Nov. 12th the Finanee Minister obtained an Order-in-Council offering to loan to the Banks in the grain trade $10,000,000, at from 6 to 7 per eent. and subject to seeurities whieh were to be passed upon by a Committee eomposed of Messrs. E. S. Clouston of the Bank of Montreal, Thomas Fyshe, late of the Merehants, and J. M. Courtney, lately Deputy Minister of Finanee. The Banks were slow to take advantage of this offer; they were reluctant to put up their seeurities as eollateral and thus indieate their business to the Government; and they thought the rate too high for them to make a profit. So, in the end, the Government redueed its rates to 4 per eent. for the first sixty days, 5 per cent. for the second 60 days, and 6 per eent. on longer periods. It allowed the Bank of Montreal to deal direetly with the other Banks as the Government Agent. Under these conditions they borrowed $5,315,000. Of this sum the larger part was repaid early in 1908.

On Oct. 15th a most sueeessful demonstration of respeet and personal popularity was given Mr. Fielding in Halifax, where

some 7,000 people joined in a public reception to the Minister, preceded by a torchlight procession through streets filled with a crowd estimated by the local Liberal organ at 20,000 in number. The Hon. G. H. Murray, Provincial Premier, presided at the mass-meeting, and with him were Sir Wilfrid Laurier, Sir F. W. Borden, the Hon. W. Pugsley and Liberal politicians from all parts of Nova Scotia. The event was intended to mark the Finance Minister's completion of 25 years in public life and it did not lack anything which party enthusiasm and interest could give. An Address expressing the confidence and esteem of the Liberals of Nova Scotia, signed by Mr. Murray, was read by A. G. Morrison, K.C., and Mr. Fielding then responded in a speech which dealt elaborately with the French Treaty negotiations, the readjustment of the Provincial subsidies, and made the following reference to his own Department in which he had held office longer than any of his predecessors: "During the last eleven years of Conservative Administration the Minister of Finance had net deficits amounting to $2,744,843. The average deficit of the 11 years was almost exactly $250,000. Now turn to the record of the 11 years of Liberal Administration. There was but one deficit, in 1897, our first year, when we had to conduct the business upon arrangements largely planned by the outgoing Government. But, against that one deficit of half a million dollars, chargeable in part to our predecessors, we have had a succession of surpluses amounting in the 11 years to more than $94,000,000. Our predecessors in their 11 years had an average deficit of $250,000 a year; in our 11 years we have had no average deficit but, on the contrary, an average surplus for the whole period of $8,500,000 per annum." After some criticism of Mr. Borden's platform and a brief eulogy of the Liberal policy and administration of affairs, Sir Wilfrid Laurier followed. Of the Minister of Finance, amongst many other expressions of personal record and opinion, he said:

> I have known Mr. Fielding for many years, but it was on the 20th of June, 1893, that I really appreciated him. Why do I say that? Because on that occasion I found him at the Liberal Convention. It was a great success, and I am free to say it, as I feel it, that the success of this Convention was due to Mr. Fielding more than to any man, dead or living. Speaking then with one of my colleagues in the House, from Ontario, who afterwards became my colleague in the Government of Canada, I told him that I saw already the signs on the wall of the downfall of the Tory party. I said to my friend that Mr. Fielding must be a member of the next Liberal Administration, and three years afterwards, when by the grace of God, and the will of the Canadian people, I was called upon to form an Administration, the first man to whom I applied was Mr. Fielding. He has been associated with me ever since and has proved to be a tower of strength in the Government of Canada.

To the All-Red line project the Premier added one more enthusiastic brick of oratory: "We think that we should contribute part of the subsidy to bring about that Line. The people



Dr. Samuel Edward Dawson, C.M.G.

Elected President of the Royal Society of Canada in 1907

Mr. A. P. Low, PH.D., F.R.S.C.

Appointed Deputy Minister of Mines and Director of the Geological Survey of Canada in 1907.

of Canada are ready to contribute their fair share. While, as I said, we do not want to dictate to the Mother-country, have we not the right as Canadians, as British subjects, as part of the British Empire, to go to England and say: 'We want you, England, to do as much for your kith and kin as you do for foreigners; to do as much for the Canadians who are so proud of the British flag, as you are doing for the American people who have discarded the British flag!' I have no doubt we will succeed in bringing about the All-Red line. It will take some time. We have difficulties to overcome, but I have passed all my life in overcoming difficulties. The All-Red line shall, and will, and must succeed." In the Halifax *Chronicle* of the following day Prof. F. C. de Sumichrast, of Harvard University, and an old-time Haligonian, contributed an earnest tribute to Mr. Fielding's earlier character and career; while throughout Canada the Liberal press bore unstinted tribute to the useful work and clean public life of the Minister of Finance.

Mr. Lemieux's Postal Policy and Reforms

The new Postmaster-General, in his Labour policy and legislation, and in his Postal administration and policy, attracted much public attention and popular commendation during 1907. To the former element in his work of the year extended reference is made elsewhere; of the latter something must be said here. In the London (England) *Tribune* of Jan. 14th there appeared an interview with the Hon. Mr. Lemieux in which he hoped for "an intellectual preference which would facilitate the circulation in Canada of the great models of English-speaking journalism, with the accurate knowledge of political, intellectual and social life of the Mother-land which they are sure to bring." This phrase, "an intellectual preference," caught the public fancy and was widely approved, and the Hamilton *Herald* (Feb. 19), in reviewing the young Minister's career, described him as having "a cool head, a seeing eye, excellent judgment and delicate tact." His speeches in Ontario at the Berlin banquet to himself and Mackenzie King at the opening of the Trent Valley Lift-lock and at Toronto on June 21st, were quite notable efforts. Speaking at Nicolet, in Quebec, on Aug. 24th, Mr. Lemieux eulogized the Premier for having preserved Colonial autonomy and extended Colonial influence at the recent Conference; praised the All-Red line project and dealt with his own Labour legislation; and defended the Government's attitude on the Manitoba School question. Early in the year he undertook to revise the Postal Convention of 1875 with the United States, which had for a long time been one-sided in the matter of expense to the Governments concerned and a positive injury to Canadian publishing interests, literary tastes and public sentiment. Notice of abrogation had been given in November, 1906.

Beginning in March, various negotiations took place with the United States Postal authorities. The view taken at Ottawa was that the time had come for revising the whole international arrangement as affecting 2nd and 3rd-class matter. It was contended that Canada had of late carried 10,000 tons of newspapers and periodicals from the United States to every 1,000 tons sent from this country. In addition to this the United States admitted to the mails as second-class matter a very large number of publications which in Canada were altogether excluded from such classification. The net result was that the Canadian mails were laden down week after week by hundreds of tons of periodicals which would, if published in this country, have had to pay substantially for the privilege of the mails. There was also the patriotic and sentimental consideration of Foreign literature and ideals *versus* Canadian or British, and the commercial consideration that these American periodicals brought in masses of free advertising matter in antagonism to Canadian business interests. The 2nd Assistant-Postmaster-General of the United States and Mr. H. M. Bacon were in Ottawa on Mar. 7; Mr. Lemieux and his assistants were in Washington on April 1st. On his return the Postmaster-General was interviewed by *The Globe* and described a satisfactory arrangement as having been reached under which newspapers and periodicals mailed in one country and addressed to the other would be subject to a rate of one cent for each four ounces, or fraction thereof, and 4 cents a pound. It was to come into operation on May 8th. "By this Convention Canada secures what has been long aimed at, viz., the right to manage her own affairs as regards newspapers and periodicals. This could not be obtained under the existing Convention since, with her immensely greater population and the higher state of development in her publishing interests, the United States must necessarily dominate the policy of this country as regards newspapers and periodicals—so long as the Convention made the two countries practically one postal territory. Hereafter Canada will be free to move along her own lines, consulting nothing but the interests of the Department and the publishers of Canada. This will also keep out cheap, trashy, yellowish periodicals." The change, while popular with the public as a whole, naturally created a good deal of newspaper comment and the favourable view was well summed up by the able correspondent of the Toronto *News* at Ottawa on May 13th:

> Of course a number of our own newspapers will be forced to pay higher rates on an American circulation amounting in the aggregate to two or three hundred thousand; against that is to be set: (1) that millions, literally millions, of inferior American advertising publications will be shut out, to the relief of our mails, and to the advantage of Canadian advertisers; (2) that a measure of protection will be given to Canadian newspapers against American competition; (3) that a great advantage will be given to Canadian weekly and monthly publications, the development of which is a real national need, and a development

hitherto smothered by the influx of American periodicals. Perhaps a fourth consideration may be added; the Canadian Post Office long has complained that its policy had been dictated from Washington, that the situation had made Canadians hewers of wood and drawers of water for American subscribers to American periodicals and buyers from American advertisers. The new arrangement is a symptom of our increasing national self-consciousness.

The complaint of the papers was in the main a pocket complaint. The change hurt them by making it necessary to lose money on their United States subscription lists for a year at least or to raise the rates; and it came at a time when the price of paper itself was exceedingly high. The Kingston *Whig,* the Huron *Expositor,* the London *Advertiser,* the Huron *Signal,* were amongst the Ontario Liberal papers which opposed the arrangement; elsewhere, the St. John *Sun,* the Manitoba *Free Press,* Montreal *La Presse,* and even the Toronto *Globe,* criticised it in principle or detail. The Montreal organ (April 28) declared that the new arrangement was "a serious blow at the propagation or the conservation of French traditions in America; that it would not prevent newspapers and reviews from the United States from entering Canada; that it imposed an enormous tax upon Canadian newspapers, irrespective of party, language, or religion; that it would be the cause of the Post Office Department losing a considerable revenue." Following this line of attack La Chambre de Commerce in Montreal claimed (April 11) that the Government should compensate the newspapers for the increasing cost of the current year's subscription list; the New Brunswick Press Association, on May 2, censured the Dominion Postal authorities for "utter disregard of the interests of Canadian publishers" and demanded the repeal of the Convention; it was estimated that the average United States circulation of Canadian papers was about 50 each or 50,000 for the 1,000 weeklies in the Dominion while, amongst the dailies, *La Presse,* of Montreal, anticipated a loss of $80,000 a year; the Eastern Townships (Quebec) Press Association on Nov. 7th declared by Resolution that the new regulations were unwise and ought to be repealed.

On the other hand the Canadian Press Association, meeting in Toronto on Feb. 8th, congratulated Mr. Lemieux upon his general policy and upon obtaining a more equitable arrangement with the United States. It asked, however, for postponement of the date of operation until January 1st, 1908 and for a revision of domestic postal rates on newspapers. These views were voiced by a deputation headed by Mr. J. T. Clark, which waited on the Postmaster-General on May 8th. The delay in operation was stated to be impossible. Some immediate results following that event were the increased prices charged for United States periodicals; a heavy reduction in the burdens of the Canadian Post Office; the elimination of many purely advertising and "fake" concerns from the mails. The following summarized

defence of the whole arrangement was written by Mr. H. B. Donly, of Simcoe, in the Toronto *Saturday Night* of May 18:

1. No agreement exists between any two countries in the world similar to the Postal Convention between Canada and the United States; save only the one between Canada and Mexico.

2. In no country on earth is the domestic rate on second-class matter as low as it is with us. There is but one country in Europe with a domestic rate as low as the new rate between Canada and the United States.

3. The Canadian publisher had no vested right to a continuance for ever of the extraordinary privilege he enjoyed in the mailing of his papers to the United States. It was a privilege granted when conditions were vastly different to those that exist to-day. It was a privilege granted when it entailed no burden upon anyone.

4. The problem to which the Canadian Postmaster-General had to find a solution was not, simply, the continuance or discontinuance of the old rate. A change was a foregone conclusion, an absolute business necessity. He had to decide whether he would raise the rate to the United States or raise the domestic rate.

Meanwhile, the British Post Office had decided to lower its rates for the carrying of periodicals and newspapers to Canada, and, on April 15, Mr. Buxton in the British House of Commons and Mr. Lemieux in the Canadian House made this announcement: "At present the rate on British newspapers, magazines and trade journals coming into Canada is that fixed by the Postal Union Convention, that is to say, ½d. per two ounces, which is roughly equivalent to 8 cents per pound. At this rate and under existing conditions the articles in question are unable to obtain a footing in Canada, with the consequence that the volume of British newspapers, magazines, etc., circulated in Canada is very inconsiderable. This state of affairs is unfavourable to the growth of close sympathy and common sentiment between Canada and the Mother-country and is at the same time prejudicial to the mutual trade and material interest of both countries." With the desire of encouraging freer and more profitable mutual intercourse between the United Kingdom and Canada the respective Postmasters-General had, it was stated, agreed to a common rate of two cents per pound, on each packet of not more than five pounds, from Great Britain to the Dominion—two ounces and under remaining at one cent per pound. "The reduction is based on a consideration of the very special and peculiar position, geographically and otherwise, occupied by Canada, and is granted also in consideration of the fact that the Dominion Postmaster-General undertakes to carry free of ocean transit charges all British newspapers, magazines and trade journals sent from the United Kingdom to Canada by vessels under contract with the Canadian Government; thus relieving the British Post Office of the cost of such transit charges on the articles in question (approximately 4 1-3 cents a pound)."

Mr. Lemieux stated that the financial sacrifice on the part of the British Post Office would be considerable and that special

thanks were due to Mr. Sydney Buxton. This step toward a real "intellectual preference," taken in conjunction with Mr. Lemieux's United States re-arrangement, placed British publishers on an equality with their competitors in the Canadian market and was the subject of many congratulations to the Canadian Minister—including Resolutions from the Council of the Montreal Board of Trade and the Executive of the Canadian Manufacturers Association. The reduction came into force on May 7 and, by the end of June, the mail matter from Great Britain had doubled. These were not the only fields for Mr. Lemieux's energy during the year. He arranged to expedite the delivery of parcels coming from Great Britain at Christmas and New Year's; increased and improved the Postal organization of the West and obtained a vote of $60,000 to inaugurate a free delivery system in various small cities and towns; visited Cobalt and Northern Ontario in order to see what changes were necessary in that new country; revised and increased the salaries and allowance of officials and Postmasters—though not to a sufficient extent to please all the recipients; promised in September to bring before Government and Parliament the question of a return to the old one-cent drop rate in Cities. For the fiscal year of nine months ending March 31, 1907, his Department had a surplus of $1,082,301 as compared with one of $1,011,765 in the preceding period of twelve months. The Postal revenue was increasing at the rate of $800,000 a year, and it totalled $6,535,093 for the nine months. Both Mr. Lemieux and the Government declined to support rural free delivery of mails as being too costly and cited United States experience where $26,000,000 was expended in 1907 upon this service with a postal deficit of $6,700,000. In the Commons, on Dec. 9th, the subject was discussed by Mr. J. E. Armstrong, of the Opposition, who contended that the deficit in question was due to other causes and that free rural delivery in Canada could be made profitable.

Mr. R. L. Borden's Policy and Tour of the Country

The Conservative leader was energetic during 1907 and made a tour of the Dominion which was extraordinary in its record of travel, speech-making and political experience. His support from the party ranks was not, however, very striking in the sense of oratorical power. In Messrs. Whitney, Roblin and McBride he had great present and potential strength; but they were only casual speakers so far as his presentation of policy was concerned. Mr. Foster was mainly on the defensive during the year and his eloquent voice was only heard occasionally upon the public platform. Mr. J. G. H. Bergeron, of Montreal, showed unexpected elements of popular strength; Mr. Edmund Bristol, of Toronto and Mr. W. F. Cockshutt of Brantford proved successful public speakers; in the West Sir Hibbert Tupper and in the East Mr. T. Chase-Casgrain announced their return to aggressive

party work. If, in Quebec, Mr. Bourassa helped to loosen Liberal alignments Mr. Maclean, in Ontario, was not exactly a unifying Conservative influence. As a party leader during the year Mr. Borden seems, on the whole, to have won upon Conservative loyalty and to have promoted party cohesion. Loyalty to his friends was a marked incident of the period and it naturally increased their loyalty to him as a leader.

In Parliament Mr. Borden moved a number of Resolutions dealing, very largely, with alleged acts of Liberal corruption or mal-administration and they have, in some detail, been already referred to. He stood by Mr. Foster in his difficult position despite the attitude of a few semi-Conservative journals such as the Toronto *News;* he drove home some of Mr. Fowler's insinuations in ways which were at once courteous and effective from a party standpoint; he presented a motion on Labour legislation intended to head off the effect of Mr. Lemieux's measure and a Resolution summarizing the public expenditures of the current fiscal year as $136,106,429 or $22 for every inhabitant of Canada; he declared by motion, on April 2nd, that leaving the operation of the proposed Intermediate tariff to an Order-in-Council gave an unconstitutional and dangerous power to the Government. These and his other Resolutions were lost on party divisions but they helped to indicate his trend of political thought. Addressing his constituents at Stittsville on June 5th Mr. Borden dealt with the Fowler incident in Parliament and its alleged aftermath as follows: "It was remarkable and, indeed, laughable, to observe the respect and consideration extended to Mr. Fowler from the Government side after the celebrated declaration to which I have alluded. Up to that time he had been subjected to every possible attack and insinuation from various Government members. After the explosion not a word of criticism was heard with regard to him or his private business affairs, but the most courteous and respectful words and tones were employed on all occasions when a reference was made to the member for Kings and Albert. When a Government places itself in such a position before the country, inferences of a most dangerous character are drawn by the people as to its motives and its fears."

Speaking to the press on June 26th, the occasion being his 53rd birthday, Mr. Borden said something of the material progress and prospective greatness of Canada and added these serious words: "The more important question remains as to whether there has been a corresponding moral and intellectual improvement and advancement. Are the standards of public opinion higher than those of thirty years ago? Does the commercial spirit dominate too greatly? Is aught forgiven unto him who acquires a fortune? Have we not forgotten some things of importance in the fierce race for sudden wealth, and in the uses to which it is

applied? There are more books, and perhaps more book-learning, but is there truer education than there was thirty years ago? The true answer to these and many other similar questions would not give us in Canada, to-day, much cause for self-gratulation." On July 1st, in response to requests for a message to the people, he again drew attention to this side of the national life and to the absolute necessity for greater purity in politics. As to Canada's future relations with the Empire he would not prophesy, but hoped England would wake up in the great question of trade and tariffs. Meanwhile, on June 20, the leading Conservatives of Ontario gathered in Toronto to discuss the political situation with the Opposition leader. A couple of dozen members of Parliament were present and Mr. Borden, in a press interview, stated that he had just come from a similar conference at Montreal and that Conservative prospects were everywhere hopeful.

Mr. Borden's tour of the Dominion was an important incident of the year. He visited the eight Provinces of Canada; travelled over 3,000 miles in the Maritime Provinces and Quebec, 1,500 miles in Ontario and nearly 8,000 miles in New Ontario and the West; delivered fully sixty speeches in a tour lasting 2½ months; addressed from 75,000 to 80,000 people, according to an estimate by Mr. C. F. Hamilton, the special correspondent of *The News,* who accompanied him during a considerable portion of the time; and spoke to audiences composed of Liberals in proportions running from one-third to a half. As to the policy propounded in what was emphatically an educational tour and apart from, as well as in advance of, the usual excitement and partisan enthusiasms of a general election, three subjects were persistently presented by Mr. Borden to every audience—the public ownership of telegraphs and telephones, Civil Service reform, and the control of corporations through the establishment and operation of a Public Utilities Commission. On Aug. 20th the Opposition leader opened his campaign at Halifax with a large audience present and in a speech which lasted an hour and a half and was delivered in a style of characteristic care, deliberation and quiet earnestness. Summarized, the contents and policy of this address—which was, also, to be the text of all his succeeding speeches and the platform of the Conservative party in the general elections whenever called—were as follows:

1. Honest appropriation and expenditure of public moneys in the public interest.
2. Appointment of public officials upon considerations of capacity and personal character, and not of party service alone.
3. More effective provisions to punish bribery and fraud at elections; to ensure thorough publicity as to expenditures by political organizations; to prevent the accumulation of campaign funds for corrupt purposes and to prohibit contributions thereto by corporations, contractors and promoters; to expedite the hearing of election petitions, and to prevent collusive arrangements for the withdrawal of or compromise thereof; to

provide for a thorough investigation of corrupt practices and, if necessary, to appoint an independent prosecuting officer charged with that duty; to simplify the procedure therefor, and to enforce the laws so amended.

4. A thorough and complete reformation of the laws relating to the Civil Service so that future appointments shall be made by an independent Commission, acting upon the report of examiners, after competitive examination.

5. Such reform in the mode of selecting members of the Senate as will make the chamber a more useful and representative legislative body.

6. A more careful selection of the sources from which immigration shall be sought, a more rigid inspection of immigrants, and the abolition of the bonus system, except under very special circumstances and for the purpose of obtaining particularly desirable classes of settlers.

7. The management and development of the public domain (in which are to be included great national franchises) for the public benefit, and under such conditions that a reasonable proportion of the increment of value arising therefrom shall inure to the people.

8. The operation and management of Government railways by an independent Commission free from partisan control or interference.

9. The development and improvement of national waterways, the equipment of national ports, the improvement of transportation facilities; and consequent reduction of freight rates between the place of production and the market, whether at home or abroad; and the establishment of a thorough system of cold storage.

10. The re-organization of the present Railway Commission as a Public Utilities Commission, with wider powers and more extended jurisdiction, so as to establish a thorough and effective control over all corporations owning or operating public utilities or invested with franchises of a national character.

11. The establishment, after due investigation, of a system of national telegraphs and telephones, under conditions which shall be just to capital already invested in these enterprises.

12. The improvement of existing postal facilities, especially in newly-developed portions of the country, and the inauguration, after proper enquiry as to cost, of a system of free rural mail delivery.

13. A fiscal policy which will promote the production within Canada of all useful articles and commodities that can be advantageously produced or manufactured, from or by means of its natural resources; having due regard to the interests of the consumer, as well as to the just claims of the wage-earning population.

14. The promotion, by negotiation, legislation and other constitutional means, of a system of mutual preferential trade within the Empire.

15. The restoration of the public lands to the Provinces of Alberta and Saskatchewan upon fair terms.

16. The unimpaired maintenance of all powers of self-government which have been conferred upon the Provinces of Canada under the constitution.

The opinion of the Canadian press upon this speech—which was published verbatim from special advance sheets in the Conservative daily journals of the country and in many of the Liberal papers—was in the main decided by party considerations. To the Conservative press it indicated a progressive, popular and statesmanlike policy; to the Liberals, with important exceptions, it was a repetition, in part, of former advocacy, it was common-place and a matter of mere platitude in other portions, it was vague and unmeaning in many respects. The exceptions included the Montreal *Herald,* which described the speech as showing "plenty of thought, plenty of good purpose and plenty of character"; the

Toronto *Star,* which declared it to be "in the main a clear statement of sound political principles"; the St. John *Sun,* which congratulated Mr. Borden upon the admirably lucid and attractive tone of his deliverance—but described thirteen out of his sixteen lines of policy, or proposed action, as belonging already to the Liberal party; *Le Canada,* of Montreal, which described it as a critical disquisition on how to improve the Liberal programme of Sir Wilfrid Laurier—an unconscious homage to the Premier. The Winnipeg *Tribune* and the out-and-out advocates of Public ownership were disappointed at the omission of Railways from his plank in that connection; while the Conservative *Gazette,* of Montreal, commended his prudence and reiterated its antagonism to that principle. The sometimes independent *Herald* of Hamilton declared that: "No one can now fairly accuse Mr. Borden of over-caution and timidity as a party leader. He has committed his party to a programme of reform which is probably at once the most radical and comprehensive ever framed by a responsible party leader in this country."

Upon the important point of Public ownership Mr. Borden's own words must be quoted: "The tendency of the present day is to criticize and rail at corporations, especially those controlling or operating public utilities. Would it not be better, both for the corporations and for the people, that franchises of a public character should be granted under such conditions that while the capitalist will receive not only a fair but generous reward for his enterprise the people will also participate in the profit which arises through national development and progress? This can be accomplished by participation in the stock issue, or by applying a principle acted upon in street railway franchises. Montreal and Toronto receive from their Street Railways what is virtually a rental based upon the percentage of earnings. These earnings and the consequent percentage increase with the growth and development of the city." At this Halifax meeting, it may be added, Senator Mackeen presided and a notably popular and witty address was given by Mr. J. G. H. Bergeron, M.P. Following this occasion meetings were addressed at Glace Bay, with special trains from Sydney and neighbouring points, on the 22nd and at Middleton on the 24th. From Nova Scotia Mr. Borden passed into New Brunswick and spoke at St. John on Aug. 26th and at Newcastle on the 27th. At most of these meetings Mr. Bergeron also spoke, as did Hon. G. E. Foster at Middleton and Mr. G. W. Fowler at St. John.

In Quebec Province the Opposition leader was accompanied at one or other of his meetings by Messrs. Bergeron, F. D. Monk, M.P., T. Chase-Casgrain, K.C., R. H. Pope, H. B. Ames, M.P., L. T. Marechal, K.C., Campbell Lane, K.C., and others. The first speech was at Quebec City on Aug. 29th, then at Three Rivers on the 30th, and at Valleyfield on the 31st; in Montreal on Sept.

3rd. At the Quebec meeting a French-Canadian speaker denounced the Laurier Government for sacrificing the Catholics of Manitoba on the School question and Mr. Borden did not shirk the issue. "The Manitoba School question has had its day. A Conservative Administration, firm in its determination to adhere to the principles of the constitution, was defeated by unworthy appeals and by the promise of the present Prime Minister of Canada that if he came to power the rights of the minority in Manitoba should be maintained and upheld. Eleven years have passed since Sir Wilfrid Laurier defeated the Manitoba minority on that issue. The promises made so profusely to a part of the people remain to be filled and its leaders to give an honourable explanation of their failure to fulfil those promises." A lengthy account of the School question in connection with the establishment of the new Provinces in the West followed; with a comparison of the position and policy of the two parties in that connection. The Conservatives had stood upon the constitution and for Provincial control of the question, and whether that policy meant Separate Schools or otherwise it would, in the end, be the best and safest course for Quebec to support. At the Montreal meeting, where ex-Mayor H. Laporte presided, Mr. Borden was given an enthusiastic reception by a crowded mass of people. After reviewing his Halifax platform and criticizing alleged Liberal corruption and broken pledges, the Conservative leader made the following interesting reference:

> The Liberals say that among the 70 or more Conservative members at Ottawa there is no material out of which to form a Cabinet which would command the confidence of the people. But do not forget that exactly the same criticism was continually levelled against the Conservatives in Ontario, yet my friend Mr. Whitney when he came to power was able to give the Province of Ontario perhaps the strongest Government it has ever had. I venture to say that we have on the Opposition benches in the House of Commons to-day material to make at least two Governments better than that which sits upon the Treasury Benches. And I venture to predict that after the next elections we shall number not 75 but 135 Conservative members. And when the time comes for us to form an Administration we shall do so in a manner to carry on the great Conservative traditions which have been handed down to us from 1878.

The Ontario part of the tour included Chatham on Sept. 7th, Owen Sound on the 9th, Cobourg on the 10th, Port Hope and Peterborough on the 11th, Dunnville on the 12th, Woodstock on the afternoon of the 13th and London in the evening, Beaverton on the 14th. Besides Mr. Borden the speakers varied from place to place and included Messrs. Claude Macdonell, W. B. Northrup, E. A. Lancaster, W. F. Cockshutt, W. H. Bennett, F. R. Lalor, J. E. Armstrong, Edmund Bristol, R. Blain, and other members of Parliament. Many of the towns visited were notable for not only party enthusiasm at the meetings but for the elaborate

decoration of the streets and houses and the general public interest taken in the coming of the Opposition leader. At Chatham and Owen Sound there were two speeches in each day; at most of the places in Ontario Mr. J. G. H. Bergeron was also a speaker; at Cobourg Mr. G. T. Blackstock, K.C., gave an address of old-time eloquence; at London a great and crowded reception was accorded the leader and here, as elsewhere in Ontario, Mr. Borden laid stress upon three essentials in democratic government—honest appropriation and expenditure of public moneys, decent appointments to public service, and pure elections. At Peterborough he forgot his usual calm and collected style and replied to recent speeches by Mr. Aylesworth in strong and effective language. "The Minister of Justice," he said, "has told the people that someone had told him that someone else could give evidence which would disqualify me for eight years from holding a seat in Parliament. It is to the discredit of Canada that we have a Minister of Justice so reckless and irresponsible. We indict him and his friends not upon gossip or rumour but upon public records and sworn testimony. Let him bring on his pretended evidence and he will find me ready to meet it and to meet him, too, at any time and any place. Unlike my opponents I have never been afraid to face the petition filed against me. I went at great inconvenience to Halifax during the Session of 1906, submitted myself for examination by the petitioner's counsel, and, avoiding the evil example of the Minister of Finance, answered every question put to me. Later on I attended the trial, and when Counsel for the petitioner refused to proceed with it and raised the point that the Court had no jurisdiction I protested against any such decision and demanded to have the evidence heard and the case disposed of."

Mr. Borden reached Toronto on Sept. 8, where he stated that the attendance at these Ontario meetings and the public interest shown were as great as during the heat of the election campaign of 1904. He then left for Vancouver, where the first address of his Western tour was to be given on the 24th. Messrs. J. G. H. Bergeron and J. D. Reid, M.P., of Grenville, accompanied him throughout this part of his tour. To a crowded audience in Vancouver, with a platform filled by party notabilities—including Mr. Premier McBride and Sir Hibbert Tupper—and to a City and Province keenly curious regarding his attitude on the Japanese question, Mr. Borden opened his British Columbia campaign. The speech contained an argumentative arraignment of the Laurier Government along preceding lines and a recapitulation of the Halifax platform; severe censure of the Liberals for breaking their alleged promises to the people of the Coast as to an early construction of the Grand Trunk Pacific and simultaneous commencement in the East and the West; a promise of close inquiry

into British Columbia financial conditions and the question of "Better Terms" whenever the Conservative party got into power; a reference to the attitude of the Dominion Government on matters of Provincial rights and their policy in the Petawawa affair in Ontario, the Kaien Island matter in British Columbia, the choice of a Premier in Saskatchewan; a review of the history of the Japanese problem and a declaration that while Treaty rights must be respected, Empire obligations regarded, and violence avoided, yet in the final analysis the Province must be kept for white people. Mr. McBride, Sir C. H. Tupper and Mr. Bergeron also spoke. At the Victoria meeting, on Sept. 25th, a similar crowd and similar interest, and a most representative platform of politicians and business men, greeted the Conservative leader. Mr. F. G. Barnard occupied the chair as Mr. C. M. Woodworth had in Vancouver—the latter a strong "exclusionist." The speeches were very similar in political tone and subject-matter. Upon the local topic about which everyone was thinking Mr. Borden said:

> Let us have a due sense of Imperial as well as Canadian interests involved, let us appreciate the sanctity of treaty rights, which must always be observed, and the respect which must be paid to a great nation like Britain, let us remember the importance of trade relations with both China and Japan, but above all let us never forget that there are considerations greater and higher than those of trade or material progress. The Conservative party, which brought this splendid Province into our great Confederation, will maintain one supreme consideration to which all material considerations must give way, and it is this: British Columbia must remain a British and Canadian Province inhabited and dominated by men in whose veins runs the blood of the great pioneering races which built up and developed not only western, but eastern Canada as well.

To the Canadian Club at luncheon on the same day, however, a different note was struck by Mr. Borden—one of constitutional thought and national development. He touched upon the real unity of the country, the great power of a Prime Minister under conditions in which government had passed from Parliament to the party caucus, the duty of good business men and citizens to take part in the public life of the nation. The Conservative Leader was at New Westminster on Sept. 26th, at Kamloops on the 27th, at Nelson on the 28th, at Grand Forks on the 30th and at Cranbrook on Oct. 1st. In speaking at New Westminster Mr. Premier McBride laid stress on what the Conservatives at Ottawa would do in the Japanese question if returned to power and Mr. Borden, for himself, repeated the words of Sir Wilfrid Laurier before the elections of 1904—that upon this question the views of British Columbia would prevail with him. In these meetings a very much isolated and localized community had to be dealt with and Mr. Borden's speeches were more specific and less general than in other parts of the country. Upon the whole he made a good im-

pression and his handling of the Japanese question was skilful, and, in the main, apparently satisfactory to his audiences.

The tour of the new Provinces of the West followed and the Opposition Leader was at Lethbridge and Macleod on Oct. 2nd, at Medicine Hat on the 3rd, at Calgary on the 4th. In this latter place Mr. Borden was met by the declaration of the Calgary *Herald* (Sept. 20) that the great issue of the day was that of political purity and that the people were sick to death of jobbery, chicanery and double-dealing. "They want honesty, honour, frankness and truth in their public men, and despite political combinations and clever hoodwinking, they will get them in the end. If Mr. Borden will cut loose from all entanglements and go out after the people on that platform he will win—perhaps not to-day or to-morrow, but he will win." The next meeting was at Red Deer on Oct. 7th, and then came Wetaskiwin on the 8th, Edmonton on the 9th, Vermilion on the 10th, Prince Albert and Rosthern on the 12th, Saskatoon on the 14th, Regina on the 16th, Indian Head on the 17th, Moose Jaw on the 18th and Weyburn on the 19th. During this part of his tour Mr. Borden laid special stress upon those points of his policy which emphasized (1) the absolute right of the new Provinces to obtain control of their own lands and the richness and value of the assets involved; (2) the necessity of public control over such great public utilities as railways, with references to his original stand for public ownership in the Grand Trunk Pacific or, failing that, the retention by Government of a share in the common stock of the enterprise it was so greatly helping; (3) Civil Service reform, which was found to be a most popular topic in the West, and Postal reform, including free rural delivery; (4) putting the Intercolonial in charge of a Commission and extending it into Western fields; (5) National telegraphs and telephones.

There were many interesting incidents. In Alberta, where there was no really stalwart Conservative paper, the Opposition charges of corruption and stories of electoral and administrative scandal seemed, as in British Columbia, to stir up considerable feeling and this was notably the case at Medicine Hat; at Calgary a part of the Opposition press claimed to have discovered a Conservative effort in Winnipeg to force Mr. Borden into holding a Dominion Convention of the party; at Macleod and elsewhere Mr. Borden added strength to his advocacy of Western lands "for the people of the Provinces" by stating that in 1906 Ontario received from its public lands $2,206,387, Quebec $1,486,000, British Columbia $1,065,000, Nova Scotia $634,332, Manitoba $450,000 and New Brunswick $320,000; everywhere Mr. Bergeron laid stress upon the statement that while Liberal scandals were said to be innumerable yet in the 18 years of Conservative power only two serious scandals were charged against the party—and in the McGreevy case the offender was expelled from Parliament while

in the Curran Bridge matter the Government was upheld by the Courts; Mr. W. F. Cockshutt spoke at Edmonton and one or two other places, while Messrs. M. S. McCarthy, John Herron, R. S. Lake and other Western members were each present at one or more meetings; the Saskatoon reception was peculiarly enthusiastic and was marked by the intervention of a clever young Liberal—J. A. Aiken of the Saskatoon *Phœinx*—who received permission to reply to Mr. Borden and in doing so admitted that a share of the Grand Trunk Pacific profits might have been reserved by the Government and hinted at the present arrangement as to Provincial lands being only temporary; at Edmonton Mr. Borden enlarged his Lands policy by hinting at compensation to the Provinces for those alienated by the bonusing of Federal undertakings.

On Oct. 21st, at Hamiota, Mr. Borden commenced a week's tour of Manitoba. He was at Brandon on the 22nd, at Napinka on the 23rd, at Manitou on the 24th, at Carman on the 25th, at Carberry on the 26th and at Winnipeg on the 28th. He was assisted at one or more of these meetings by Hon. R. P. Roblin, Hon. Robert Rogers, Hon. S. W. McInnis and Hon. J. H. Agnew. In Winnipeg there were two meetings. The first was a crowded luncheon of the Young Men's Conservative Club where the party Leader was greeted by some 600 of the younger men of Winnipeg, by the Provincial Premier and his Cabinet, and by his own predecessor, the veteran Sir Charles Tupper. Mr. R. W. Craig presided and the speeches were brief and general. The second was a great mass-meeting in the evening with the Hon. R. P. Roblin presiding and Mr. Borden speaking at length upon certain points of his Western tour with some emphatic and specific statements. As to Western public lands he said: "We have already taken the position, not for the first time to-day, but five years ago, that the public lands and minerals within these Western Provinces should be handed over to the ownership, control and administration of the people within each Province. In other words, Alberta, Saskatchewan and Manitoba should be placed upon a footing of equality with the other Provinces of Canada." He reiterated his standards of democratic public life in a country like Canada as composed of the following essentials: "The honest appropriation and expenditure of public money for public and not for partisan purposes; honest administration of the public domain in the public interest; decent appointments to public office based upon character and capacity and not upon party service alone; and last, but not least, clean elections untainted by the art of the ballot thief and the influence of the briber." Dealing with Mr. Pugsley's allegations as to campaign funds he denied the expenditure of one dollar for illegal or improper purposes, defied proof to that end, and issued a specific challenge as follows: "If he is in earnest and he desires reform, let a Royal Commission be appointed, one member to be named by the Government and another by the Opposition; let

these two select a third and let this Commission be invested with full power to inquire into the campaign funds of both parties in 1904 and the uses to which they were applied. If he is prepared to go thus far, well and good. We shall abide by the result." In the important matter of public control or ownership of public utilities, his deliverance was as follows:

> The Conservative party stands for the re-organization of the present Railway Commission and for the provision in this way of a thorough and necessary state control of railway and other public utilities, so that we may avoid in Canada those conflicts between the state and the corporations and the people, which have recently created so remarkable a disturbance in the United States and which have lessened in so marked a degree the confidence of the people and of all investors in the permanence of the present conditions of that country. In Canada, to-day, we have nearly 7,000 miles of state-owned telegraphs constructed in thinly-populated portions of the country where there is no adequate return in revenue. This national system ought to be developed and carried out in the more thickly populated portions of the country where the capital thus invested will yield a more remunerative return. The same principles should be applied to the telephone. The meddlesome and mischievous interference of the petty politician should be excluded from the operation of such enterprises and the principle of Civil Service reform, which will be alluded to later on, should be applied to the operation of this national enterprise.

Meetings followed at Kenora, Port Arthur and Fort William, and on Nov. 2nd Mr. Borden arrived home, in Ottawa, and told the press that his tour had been most successful and its apparent results very gratifying. A personal effect was at once visible in the necessity of leaving for a rest in the South. During the latter part of this prolonged and severe effort a very natural throat trouble had developed and caused the speaker much inconvenience. Cold and draughty halls; excessive and continuous speaking; travelling by all kinds of conveyances in the most varied weather, across mountains and upon lakes and rivers, on the prairies and by the shores of the Pacific; travelling, also, in trains far from comfortable and without the pleasures of the private car which he might have had throughout the trip but as a matter of principle declined; all these elements were enough to have temporarily injured the health of a Hercules. After a brief rest Mr. Borden rounded off his tour by a welcome-home from the Conservatives of Ottawa which took the form of a procession through the streets, a Reception at the Russell Theatre and a crowded, enthusiastic gathering to listen to the elaborate speech in which he reviewed his recent experiences, recapitulated his Halifax policy, renewed his challenge to Mr. Pugsley and his references to Asiatic immigration, and denounced again the political scandals of the day. Mr. Premier Whitney and Mr. Bergeron also spoke. The latter gentleman was, on Nov. 21st, banqueted by the Lafontaine Club of Montreal in honour of the remarkable popularity of his speeches throughout this tour. At the annual banquet of the Commercial Travellers' Association in Montreal, on Dec. 20, Mr. Borden spoke

again, as did Hon. S. A. Fisher and Hon. W. A. Weir, and pleaded earnestly for a sense of individual responsibility in every citizen for the good or bad government of his country.

Political Incidents, Party Charges and Public Opinion

In addition to Mr. Borden's political work and the actual debates in Parliament during the year there were certain other matters of a Conservative party character which cannot be passed over in this record —even with the casual references already made. In the middle of the year two St. John papers—the *Telegraph* and the *Evening Times*—were acquired by Mr. John F. McKane, of Newcastle, N.B., and turned into organs of independent-Conservative thought with a platform which included the maintenance of British connection, honesty in public life, measures for the material progress and moral advancement of the Dominion—"no graft, no deals." The press exercised a considerable influence in what might be called personal politics during this period. The Vancouver *World,* which had been instrumental in forcing Hon. R. F. Green out of the British Columbia Government, won the libel suit brought against it as a result of the political campaign; Olivar Asselin and *Le Nationaliste,* of Montreal, compelled Hon. J. B. B. Prevost to temporarily leave the public life of that Province, although they were not so successful in the Courts; J. H. Crocket and the Fredericton *Gleaner* helped to compel Mr. Emmerson's retirement from the Dominion Government; the Halifax *Herald* won out in a legal fight over the right to publish verbatim reports of the Public Accounts Committee proceedings in the case of Mayor R. T. McIlreith. Of course victory did not necessarily mean right in these matters, but it did mean influence, and in three of these cases out of the four it helped the Conservatives.

Sir Charles Hibbert Tupper in August paid a visit to his old constituency and home in Pictou, N.S.—a county he had represented from 1882 to 1904. On Aug. 10 thousands of people gathered at Westville to hear him speak, and to a Halifax audience on the 13th he repeated a tribute previously paid to Mr. Borden's leadership, expressed confidence in his ultimate success and referred to his own re-entry into politics with the choice of Nova Scotia as his fighting ground. Liberal corruption was his battle-cry, and he promised a solid West and a solid Ontario for the Conservative party at the next elections. To the Montreal *Gazette,* on the 17th, he also predicted a Conservative victory. To the Vancouver press, on his return, Sir Hibbert said that more good work could be done in Nova Scotia than in British Columbia during the next contest, and he intended to take off his coat and work in that Province. On Oct. 24th a Convention at Westville selected Sir C. H. Tupper over A. C. Bell, ex-M.P., as the party candidate for Pictou, and on Nov. 13th word was received of his acceptance. In this Province, at the end of August, Hon.

G. E. Foster addressed a series of meetings. He was at Lunenburg on the 28th, at Yarmouth on the 29th, at Kentville on the 30th, at Amherst on the 31st. He was the guest of the Conservatives of Chatham, Ont., on Nov. 13th. On Dec. 28th a portrait of Sir George E. Cartier—presented by Miss Cartier, his daughter—was unveiled at the Chateau de Ramezay in Montreal. Judge Sicotte performed the ceremony and addresses were delivered by Mr. Justice Loranger, Hon. W. A. Weir, Dr. A. D. De Celles, C.M.G., and A. A. C. Lariviere, ex-M.P.

In British Columbia a Provincial Conservative Convention opened at Vancouver on Nov. 22nd with Mr. C. M. Woodworth as Chairman and a representative gathering of 440 delegates present from all parts of the Province—Cranbrook, Revelstoke, Nelson, New Westminster, Victoria, Cowichan, Kaslo, Golden, Delta, Nanaimo, Cariboo, Saanich, Ladysmith, Kamloops, Slocan, Alberni, Skeena, Comox, Okanagan, Atlin, Yale, Grand Forks, Rossland, Chilliwack, etc. An Association was formed covering the Province with Mr. Borden as Hon. President, Mr. McBride as Hon. Vice-President, G. H. Barnard, President, C. M. Woodworth and J. A. Harvey, Vice-Presidents, J. A. McKay, Treasurer, and C. E. Tisdall, Secretary. Confidence was expressed in the Dominion Leader and his policy, congratulations were telegraphed Sir Charles Tupper upon his appointment to the Imperial Privy Council, and the following Resolution was passed regarding Asiatic immigration: "The members of this Convention believe that Canada should be preserved as a white man's country, and approve of the course pursued by the local Government with respect to Asiatic immigration; at the same time condemning the attitude of the Dominion Government and especially that of our British Columbia members at Ottawa, in this connection." Besides certain motions of a Provincial character the other Resolutions passed were as follows:

1. Declaring that the actual needs and decreasing numbers of the Indians, coupled with the location of some of the Reserves in the centres of cities, and the fact of their exploitation by Federal politicians for political purposes, warranted a re-adjustment of the areas of such reserved lands.
2. Strongly condemning the practice of delaying Dominion elections in certain constituencies until the general elections were over.
3. Favouring a quinquennial Census in British Columbia and the further extension of the Protective tariff so as to foster and assist the lumber and silver-lead industries.
4. Condemning the alleged "policy of graft now being permitted and encouraged by the Liberal party in connection with the administration of public moneys and the lack of political purity in elections."

The central development of the year, however, from the Conservative standpoint—as it had been in 1906—was the persistent reiteration of charges of corruption and what the Liberals termed a slander campaign. Details would require a volume, because both attack and defence would have to be given, and the only thing

possible here is to indicate briefly the cases in which the Opposition contended that there was laxity, corruption, or mal-administration, and then quote some non-partisan expressions of public opinion on the subject as a whole. Conservative sentiment can be summed up in one quotation from the Toronto *News* of April 30: "Corruption on a generous scale, scandals which would have drawn down the fiery thunders of denunciation from the party leaders prior to 1896, reckless extravagance without justification other than that they have the money to spend, wilful blindness to seizures of Western lands by party followers and relatives of prominent Liberals, the flagrant abandonment of the system of tendering and letting by contract in the great spending Departments—all these are supreme to-day in the Liberal party that denounced them all in the days of Opposition. The Government is drunk with power. It seems to have lost belief in public opinion."

Amongst these questions or issues of an unpleasant party warfare were the Saskatchewan Land deal and the North Atlantic Trading Company affair; the Disraeli, St. Joseph and Grand Vallee Wharves—built, it was claimed, for party purposes and useless for public ends; the Merwin contracts and the conspicuous middleman profits; the extraordinary equipment provided for the ice-breaker *Montcalm* and for the Hudson's Bay ship the *Arctic;* the special grazing leases in the West involving grants of 371,749 acres of land; the claim that millions of acres in the West were held by bogus settlers; the Nixon land fraud case, the Wagner story at Edmonton, the Moncton Land deal in New Brunswick, the "thin red line" charges in Manitoba, and the Prince Albert election case; the Galway Horse and Cattle Company affair in the West and the Robins Irrigation case; the Blairmore Town-site charges, the Halifax round-house purchase, the second Moncton land affair; the Grand Trunk Pacific finance charges, the ballot frauds and corruption in London; the Emmerson and Hyman incidents and the Fowler episode.

How far these and other cases were explainable, or fully answered, or excusable in detail, or exaggerated in charge, did not prevent a cumulative effect upon the public mind. For instance, one Conservative newspaper stated that Liberal members of Parliament and their relatives had, since 1896, obtained possession of tracts of Western land worth between 20 and 30 millions; another stated that in the same period the wells had been poisoned—in brief, nine Liberal newspapers subsidized—to the extent of $623,000 from the public purse; Mr. Bristol in Parliament claimed that in the Robins irrigation affair $2,008,426 went to the middlemen in that one case; Mr. Foster stated in several speeches that the trip of the *Arctic* cost $264,000 instead of the original estimate of $24,900; it was claimed that in four separate purchases of land in the Maritime Provinces for official purposes the middlemen

paid a total of $40,253 and then sold the lots to the Government for $76,240. The changes and charges of electoral corruption in the London bye-election were rung upon a thousand platforms. How did all this—true or false—coupled with the continuous Liberal allegations as to large Conservative campaign funds in the 1904 elections and the curiously mixed-up dealings of Conservative politicians with the investments of the Union Trust Company in the Insurance case, affect public sentiment in 1907? One way to partially answer the question is to indicate the public utterances of men in various and diverse parts of the country who, without any partisan animus, dealt with what they seemed to consider a general popular condition of corruption.

Speaking to the Halifax Canadian Club on July 18 the Rev. Dr. R. A. Falconer said: "Those who are most deeply engaged in political life tell us a pitiful story of the corruption of the electorate. And they say that the state of affairs is growing worse. What is the meaning of this? Surely, that our intelligence has stopped short. Many in the past have thought that the mere privilege of voting would cure the evils of the body politic. We know to-day that multitudes of our people who cast their vote do so without any conception of their privilege. I am inclined to think that ignorance rather than depravity lies at the root of a great deal of our corruption." Extreme party spirit was, he thought, the chief active influence in this condition. At a meeting of some 70 prominent Toronto citizens of all religious denominations held in Victoria University on Jan. 10th a Resolution was adopted declaring that: "The exposures of political corruption made in our Courts from time to time reveal a state of public morality greatly to be deplored. The Canadian people have learned with shame and humiliation of the bribery practised in connection with elections, and of ballot-switching and other immoral and unlawful means used to render void the purpose of the electors. We protest in the strongest manner against these attempts to corrupt the electorate and to frustrate the will of the people, and respectfully urge our fellow-citizens to use every possible means to insure the free exercise of the franchise and the honest discharge of public duties." The Rev. Father Minehan described blind partisanship, campaign funds, a political Civil Service and a servile political press as the causes of the trouble; while Mr. James McEwing, President of the Ontario Farmers' Association, spoke of the "alarming prevalence of electoral and political corruption" in Canada. Corruption in business was the basis of another Resolution. Speaking on Feb. 3rd, at Moncton, the Rev. Dr. B. C. Borden, Principal of the Mount Allison Ladies' College and a Liberal in politics, made the following plain observations:

> What can be more disgusting than the scenes to be witnessed at almost any polling booth in our country when a good half of the voters are so many parasites, preying upon the purses of candidates. How can

such voters rebuke corruption in their representatives, when any honest man's vote can be neutralized by another which is picked off the fence at $5 or $10 per head. The same lack of high political ideals may be seen in the readiness with which political offences are condoned in our country. Now, misappropriation of public money, however flagrant, is not a serious offence in the eyes of the average elector. Thirdly, there is the inevitable lowering of the quality of our legislators, men who have conscientious scruples about the use of money for purchase of votes hesitating to go into a vocation where they must descend to the methods of the practical politician if they would win. And further, when you get men into public life who have spent money to secure their election it is only natural that they should seek means to recoup themselves for their outlay.

Addressing the Presbyterian General Assembly at Montreal on June 6th, Mr. G. M. Macdonnell, K.C., of Kingston, made a vigorous statement. "Canada to-day," said he, "is not suffering from intemperance one-hundredth part of a degree to what she is suffering from graft. Every man in business knows this; and if this General Assembly has anything to say on moral reform, it should deal with the first thing first. Our forefathers in Scotland were honest men even if they took more whiskey than we do. We are not an honest people in Canada to-day. Don't you know it? Go to Ottawa and find out. Go to the Election Courts and find out. Look at the Report of the Insurance Commission? Yet this High Court of the Presbyterian Church in Canada, when it proposed a Committee on Moral Reform, put Temperance to the front. I protest most strongly against this. I am a temperance man, I have worked for temperance, and will work for it again, but I wish to declare emphatically that the thing we are principally suffering from in Canada is not intemperance at all, it is graft."

Equally explicit was the Rev. Dr. C. W. Gordon ("Ralph Connor") upon the same occasion: "Canadians to-day are hanging their heads in shame—shame at the examples they have in their public life, men who are no credit to them, and who do not tend to elevate the general tone of public life or even private morality. Something ought to be done—done promptly, done effectively—not so much to help up the tone of men in public life as to level up the standard of morality among those who send them to Parliament. The whole honour of our country, of its political and commercial life, of its methods, has become to a great extent corrupted, yet the Church stands aside, idle, lethargic, inactive." At the Church of England Synod of Toronto, on June 13th, a motion by Mr. N. F. Davidson, K.C., was passed declaring that "a great purification of politics, of financial, social and business methods in this country is imperatively demanded to-day, and that the Church, her bishops, her clergy and laymen should take a leading part in immediately changing the present deplorable state of affairs." Bishop Worrell of Nova Scotia, the Methodist Conference of the same province, the Montreal *Free Witness*, a Catholic organ of that city, the Rev. J. E. Starr of Toronto, Mr. E. W.

Thomson, the Ottawa correspondent of a Boston paper, Mr. H. Hamilton Fyfe, the English writer in his notorious *Nineteenth Century* article, echoed these views or enlarged upon them.

The Orange Order holds a peculiar but important place in Canadian affairs. It is semi-political, semi-religious, nearly always Imperialistic in view, and usually Conservative in support. Though influential in public matters it has hardly the power in the one party which French-Canadian papers and speakers of the other party usually ascribe to it; still its position in votes and influence is sufficient to render the opinions of the Order important. Speaking at the Grand Lodge meeting of Ontario West, on March 13, Lieut.-Col. J. H. Scott, Grand Master, referred to certain alleged efforts of Roman Catholicism to control or change school regulations in the Province and declared that: "It is not hard to foresee a tremendous conflict in the not distant future, and the present is an opportune time for Ontario to follow the precedent of a sister Province (Manitoba) and give immediate warning to the trespasser in a notice bearing the device in clear and unmistakable English letters—Hands off Ontario." The Grand Master of Ontario East, Lieut.-Col. J. E. Hallowell, on March 21st indicated a somewhat advanced position in politics when he denounced the Provincial Government for appointing Dr. Coughlin, a Roman Catholic, as Superintendent of the Belleville Deaf and Dumb Institute, and proceeded as follows: "I think we have a serious ground of complaint against the Premier—first, for not consulting his colleagues of the Orange Association before making an appointment of this nature and, secondly, having learned from them the strong objection on principle that we must have to the appointment, for not satisfying himself by sure information that we had no reasonable grounds for our objections before making the appointment."

Another phase in the ever-restless movement of Sectarian feeling in Canada was the reference by Dr. T. S. Sproule, M.P., Sovereign Grand Master of the Order, at the Vancouver annual meeting on June 19th, to an alleged recent visit by Sir Wilfrid Laurier and Mr. Fielding to Rome. After quoting *Le Nationaliste* to the effect that the Premier was taking his proposed successor to the Pope for his approval, Dr. Sproule proceeded: "These constant pilgrimages to Rome before every General Election, and secret conferences with His Holiness, lend credence to the suspicion that a deal is being made each time whereby the interests of the State are being bartered away for the support of the Church in the forthcoming election, and that in due time the debt must be repaid by another encroachment upon the rights of the people." The fact that Mr. Fielding did not visit Rome at this time was probably never known to the bulk of those who heard or read the above utterance. At this same meeting Colonel Hughes reiterated his Parliamentary designation of the incoming French priests as "a

curse to Canada," and a statement made during the ensuing discussions that Mr. Borden had threatened in this connection to read the Colonel out of the party led to a fiery remark by Rev. William Walsh, Grand Chaplain, that if it were true "Mr. Borden deserves to be put out of the leadership quicker than he can get out." At other meetings Mr. Walsh freely criticized his leader along these lines, while the Orange *Sentinel* expressed disapproval of Mr. Borden's platform for not including a pledge to return to the Western Provinces the complete control of their School systems.

In connection with his Western visit Dr. Sproule spoke at Calgary, Winnipeg, Brandon and other points. A paragraph from his speech at Brandon on July 9 illustrated their general character. "So long as the Church of Rome teaches her religion I have no quarrel with Rome, but it is because the Church of Rome does not always do this that we find it necessary to be active always and to prevent inroads being made in our sacred rights. It is because Rome can demand rights of any party and in lieu thereof she may guarantee her solid Roman Catholic vote, and put that party in power and keep it in power, if she is granted certain favours; it is because of that we are compelled to fight the Church of Rome." Incidents of the year in this connection included orders at Buckingham, Que., that Orangemen should not parade on July 12 as such action was considered, locally, an insult to the Roman Catholic faith; the publication by Mr. Robert Sellar, Editor of the Huntingdon *Gleaner,* of a book called *The Tragedy of Quebec,* which described in graphic terms the progress of French and Catholic institutions and thought in the one-time Protestant Eastern Townships of that Province; the appointment of Mr. Robert Birmingham as organizer of the Order in Ontario West, of another organizer in the East, and of one by the Grand Lodge of British North America. In this latter jurisdiction there were, in 1907, 1,394 Lodges with, it was claimed, from 250,000 to 300,000 members; and the chiefs of the Order, elected in that year, were as follows:

Office.	District.	Name.	Address.
Grand Master and Sovereign	British North America	Dr. T. S. Sproule, M.P.	Markdale.
Grand Master	Grand Black Chapter of British America	J. F. Harper	Hamilton.
Grand Master	Ontario West	E. T. Essery	London.
Grand Master	Ontario East	George Boyce	Merivale.
Grand Master	Manitoba	Thomas Sharpe	Winnipeg.
Grand Master	Saskatchewan	Thomas J. Pollock	Moosomin.
Grand Master	Alberta	S. P. Fream	Innisfail.
Grand Master	British Columbia	D. C. McLaren	Vancouver.
Grand Master	Nova Scotia	Rev. A. H. Campbell	Lower Stewiacke
Grand Master	New Brunswick	Rev. R. G. Fulton	Woodstock.

As against the claims and views of the Orange Order it was natural that the St. Jean Baptiste Society of Montreal, and of

hundreds of other places in Quebec as well as in Winnipeg and St. Boniface, Manitoba, should from time to time be prominent. Upon the whole, however, the work of this Society was quiet and non-political and inconspicuous—though quite equally influential. It was as strongly for Separate Schools as the Orangemen were against them. At the Winnipeg celebrations of June 24th the Rev. Father Lacasse dealt with the School question in Manitoba and the losses the Church had sustained there. Union and action were, he declared, imperative. "If they had been as one the French language would still resound in Legislative halls, they would have their schools, the Catholic Superintendent, the Catholic Committee; they would be at home as they were in their churches." He quoted the example of Germany where Catholics now had more representatives in Parliament than their number would strictly give them the right to have. "That is what I call good politics," said he. Archbishop Langevin endorsed every word of this address. "They were now going through a critical period, because of hypocritical teachings, because some loved their interests, their ambitions and their party better than their Church. The great error of the age had been in withdrawing the Crucifix from the schools and from Parliament where the law of the Lord should be the law of all laws." In an address to his people of St. Boniface on the previous day the Archbishop said: "To act in the Catholic interest they should follow their pastors. The leaders should not be the politicians, the club organizers, but the Pope and the Bishops. If they acted contrary to the Catholic interests their nationality would be doomed." This French-Canadian festival was celebrated at Montreal on June 23rd and 24th by processions and demonstrations including many thousands of persons in the ranks and embodying a combination of religious and national sentiment.

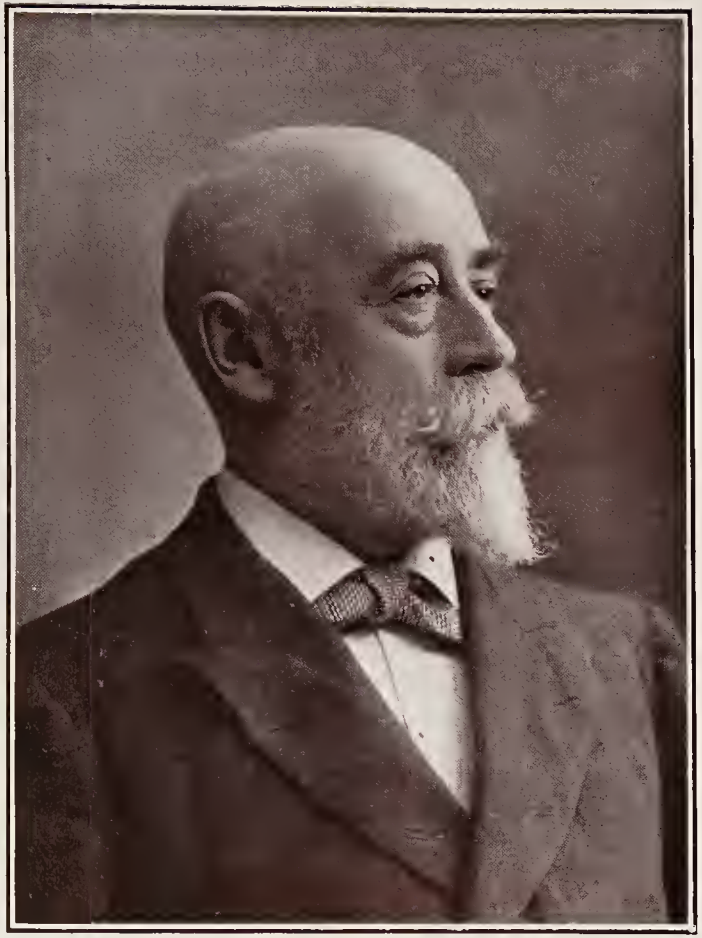
Inquiries into Alleged Grain, Beef and Lumber Combinations

The condition of the Western trade in grain was one of acute controversy in 1907—both business and political in character and involving questions such as the alleged combine amongst dealers, the problem of insufficient elevator and storage facilities, the operation of the Dominion Grain Act, and many matters at issue between farmers and dealers and railways. The Winnipeg Grain and Produce Exchange, organized under charter in 1901, was originally designed to facilitate, regulate and stimulate the grain trade of the Province; in effect it acquired a large degree of control over the Elevator system of the West and the grain trade in general; and was alleged to have ultimately become a combine which manipulated prices, delivery, and conditions, to the detriment of the farmers and in the interests of the grain dealers as a class and the North-West Grain Dealers Association as a body. Out of the feeling aroused over this alleged situation grew the private prosecution entered into on Dec. 6. 1906,

by Mr. D. W. McCuaig, President of the Manitoba Grain Growers' Association, against John Love, J. G. McHugh, and J. C. Gage—three prominent members of the Winnipeg Grain Exchange—charging them with conspiracy in restraint of trade.

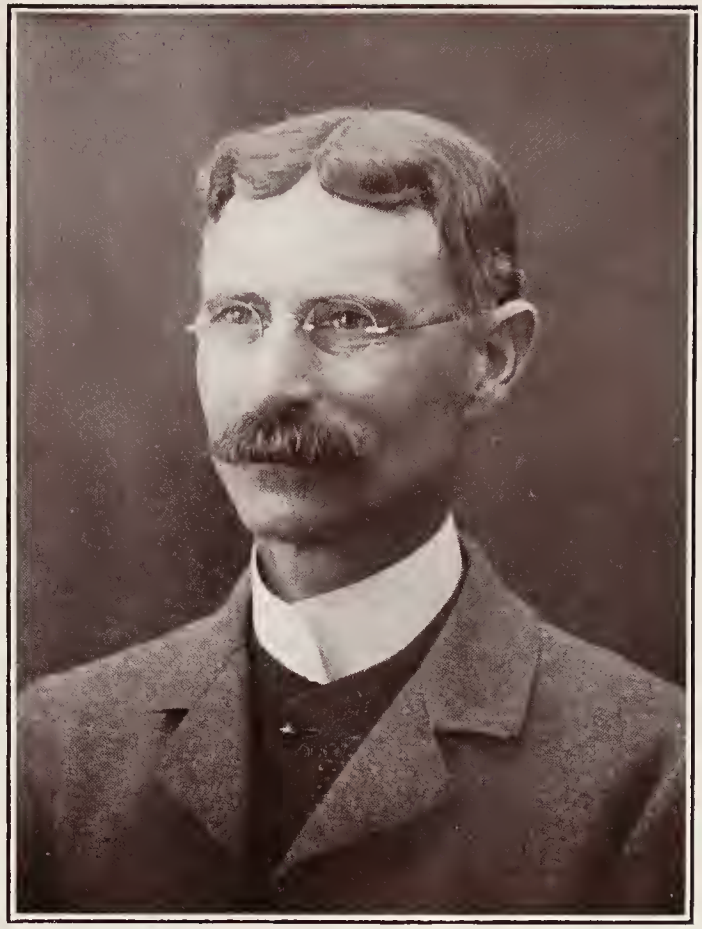
In this much-discussed case R. A. Bonnar acted for the prosecution and was aided by F. W. G. Haultain, K.C., who came from Regina on behalf of the Saskatchewan and Alberta Grain Growers' Association; N. F. Hagel, K.C., and A. J. Andrews acted for the defence; E. A. Anderson watched the case for the Provincial Government into whose ensuing election campaign the issue was interjected; while Thomas Robinson looked after the interests of the Exchange. The preliminary hearing came before Hon. T. M. Daly, Police Magistrate, on Jan. 10, 1907, and he decided that the evidence was strong enough to allow the accused to go to a higher Court for trial—and in the meantime they were released on bail. Following this decision came an elaborate and jointly-signed letter from Hon. W. R. Motherwell, Minister of Agriculture in Saskatchewan, and John Millar, Chairman of the Royal Grain Commission (appointed in 1906 by the Dominion Government) which appeared in the press on Jan. 28, and protested earnestly, on behalf of Western agricultural interests, against thus taking the matter out of the hands of the Royal Commission and hampering its investigation and further action. They described Mr. McCuaig's action as impetuous and unfortunate and criticized Mr. E. A. Partridge, a grain merchant of Winnipeg who had a difference with the Exchange, as mainly responsible for the events leading up to it. Then came a vigorous attack in the Legislature, by J. W. Robson (Conservative) of Swan River, upon the Grain Exchange and all its works; together with a number of suggested amendments to its charter which the Exchange refused to accept or consider. On Jan. 29th the press contained an elaborate letter in defence of its position from W. J. Bettingen, President of the Grain Exchange, and a reply from Mr. Partridge to the allegations of the Motherwell-Millar letter. The former document was a defence of the Exchange from even the possibility of control over the price of the Western grain output—to say nothing of actual efforts toward that end. It did not lie with Winnipeg and the whole West, or even Chicago, to do this; it lay with the markets of Great Britain.

At Brandon, on Feb. 8, the Manitoba Grain Growers' Association met in Convention and unanimously approved Mr. McCuaig's policy and action. On April 22nd the case against the Exchange came before Mr. Justice Phippen with a great array of Counsel. C. N. Bell, Secretary of the Exchange, was examined at length, as was F. O. Fowler, Secretary of the Grain Dealers' Association; S. P. Clark, Secretary of the Northern Elevator Company, and others. After J. E. O'Connor. for the Crown, and J. A. M. Aikins, K.C., for the defence, had summed up, the Judge



THE HON. J. D. ROLLAND, M.L.C.

Elected President of the Canadian Manufacturers Association in 1907.



MR. PETER MCARA, JR.

Elected President of the Associated Boards of Trade in Western Canada, 1907.

on May 21st dismissed the case with the declaration that "there was no undue restraint of trade." On June 5th a special Convention of the Manitoba Grain Growers' Assoeiation was held in Winnipeg to eonsider the question of Government ownership of elevators and that of regulating and eontrolling eorporations and persons "doing business in grain produets." The meeting was opened by the Hon. R. P. Roblin and it was soon found that feeling ran high—so mueh so that after some diseussion the Grain Exehange members present left the Convention. The latter absolutely refused to eonsider any amendments to their eharter; the farmers insisted, espeeially, upon removing the limitation upon membership whieh then made a seat worth thousands of dollars and prevented outsiders from establishing themselves in the grain trade. It was elaimed for the Exehange that such a policy would mean ruin; that while the assets of the eoncern were $300,000 yet their new building when finished would eost $600,000; that vested rights and the eredit of the Provinee were opposed to confiseation which such action would involve; that, as Mr. Bettingen put it, on Sept. 11, "the Exehange does not in any way regulate or attempt to regulate the price its members pay for grain; that, on the eontrary, the whole effeet of its organization is to promote eompetition and that nowhere is the eompetition to get grain to handle more aetual or more keen than right here on the floor of this Exehange." Argument of this kind at the Convention was useless, however, as the farmers had made up their minds to have the Exehange run to suit their views and requirements. On certain reserved points the Grain Case came before the Court of Appeal on Nov. 25th and, on Dee. 6th, judgment was reserved as to the distinetion elaimed to exist between the words "eonspiraey, combination, agreement and arrangement."

Meanwhile, the Royal Commission on the Grain Trade of Canada, appointed on July 26, 1906, and eomposed of John Millar, W. L. MeNair and G. E. Goldie, with Ernest Neild as Secretary, had been pursuing a elose investigation into the whole question* at all the centres of the trade in Manitoba and on the Lakes—in the United States as well as in Canada. Early in 1907 the Commission met at Moosomin, Indian Head, Regina, Moose Jaw and Weyburn; held sittings again in Winnipeg and went into the methods of the Grain Exehange and the North-West Grain Dealers Assoeiation; in May it visited Ottawa, New York, Boston and Portland, St. John and Halifax; on May 31 it sailed for Great Britain and held eonferences with the members of the Corn Trade Associations and millers at Liverpool, London, Bristol, Glasgow, Edinburgh, Leith, Hull, Manehester, Dublin, Belfast and Exeter. The Report was signed on Oet. 11, 1907, and reeommended, amongst others, the following changes or amendments in the Manitoba Grain Aet of 1900:

* Note—See pages 32-3 of *The Canadian Annual Review* for 1906.

1. It shall be the duty of every public terminal elevator to clean all grains received by them on which the Inspector has set dockage for cleaning, except all rejected grades, which shall be cleaned only upon request of owner.

2. Public terminal elevators shall pay or make allowance to the owner for all domestic grain of a commercial value in screenings, as set forth in Section 87 of the Grain Inspection Act, as amended, to the amount assessed by the Inspector.

3. It shall be the duty of every public terminal warehouseman to insure all grain received, handled, or stored by him with companies, satisfactorily, to the Warehouse Commissioner, and to an amount approved of by the said Commissioner.

4. Elevators east of Port Arthur and Fort William receiving grain grown in the Manitoba Inspection Division for storage or transhipment, doing business for a compensation, shall be known for the purpose of this Act as eastern transfer elevators, and shall be under the jurisdiction of the Warehouse Commissioner and shall be subject to a License granted by the Commissioner for the transaction of business with a guarantee bond of from $10,000 to $50,000.

5. Every warehouseman of an eastern transfer elevator shall be required during the first week of September in each year to file with the Commissioner a table or schedule of rates for the storage and handling of grain in his transfer elevator during the ensuing year, which rate shall not be increased during the year, and such published rates, or any published reduction of them, shall apply to all grain received into such elevator, from any person or source; and no discrimination as to rates shall be made, directly, or indirectly, by such warehouseman for the storage, cleaning or handling of grain.

6. New regulations as to liability from fire and heating and as to care of grain and responsibility to owners.

7. No person or corporation, or their agents operating a public country elevator or warehouse shall enter into any contract agreement, understanding or combination with any other such person, corporation, or their agent, for the pooling or division of earnings or receipts of such elevators or warehouses, or divide with any such person or corporation or their agent, the gross or net earnings or receipts of such public country elevators or warehouses or any portion thereof. Any one violating this provision shall be guilty of an offence under this Act and shall on summary conviction be liable to a fine of not less than $500 and not more than $1,000 for each offence.

8. The Warehouse Commissioner shall have power in his discretion during a car shortage to direct the railroads to make an equitable distribution of empty grain cars to all stations in proportion to the amount of grain available for shipment from such stations.

9. Detailed recommendations as to weighing and inspection.

The Commission examined witnesses on all sides of the subject during 1907. Representatives of the Grain Growers' Associations in all the Western Provinces; Mr. W. R. Motherwell, Saskatchewan Minister of Agriculture; C. N. Bell, F. O. Fowler and J. C. Gage, of the Winnipeg Grain Exchange; T. H. Hatchard and G. R. Crowe, of the Elevator interests. The Grain Exchange held its annual meeting in Winnipeg on Sept. 11, and the President (W. J. Bettingen) in his address described the investigation of the Grain Commission as a most searching one, stated that it had held 38 sittings in Canada, 7 in the United States and 10 in England, had examined 485 witnesses in the Dominion, and as a body had travelled over 20,000 miles. Mr. John Fleming was elected President, H. N. Baird Vice-President and C. N. Bell Secretary-

Treasurer. It was pointed out that the clearances of grain in the Exchange were over 200,000,000 bushels every year; that there were about 60 active traders all interested in buying or selling; that it would be impossible for such a body of dealers to really manipulate the prices on such a volume of grain. The settlement of the dispute, however, was to come in another year and was destined to spell disaster to the Exchange as an institution.

For many months there had been rumours of a combine amongst lumber dealers in British Columbia and the West generally for the purpose of enhancing the price of that product. Newspapers asserted it, private letters to politicians urged it, Parliament had more than once debated it. On Jan. 21st, 1907, Mr. John Herron moved a Resolution in the Commons declaring that lumber should be supplied to the settlers in Manitoba, Alberta and Saskatchewan "at as low a price as possible consistent with a reasonable profit to the manufacturers of lumber"; that the present prices were regarded as unreasonable and excessive; that it was charged that "an unlawful combination exists among the manufacturers and dealers in lumber for the purpose of unduly enhancing the price to the consumer"; that a Select Committee should be appointed to investigate conditions. He referred in detail to the Mountain Lumber Association and the British Columbia Lumber and Shingle Manufacturing Association as one and the same organization and based his motion upon the following charge: "I am told on good authority that this Association undertakes to discipline its members in that if they infringe upon the rules laid down at these meetings and sell lumber below the fixed price, they are fined for the first offence $50 for every car-load of lumber so sold; for the second offence the fine is $100 per car, and probably for the third offence they are dismissed from the organization. I have been told on what I consider the very best authority, that this organization does not expel many manufacturers. Then they are not content with regulating the price amongst themselves, but they go further and set a price for the retail merchants in the three prairie Provinces. If a retail merchant sells lumber at a lower price than that fixed by the Association, he also is fined for the first offence, similarly for the second offence, and finally is expelled from the Association." Mr. J. B. Kennedy, of New Westminster, briefly defended the lumber-dealers and summed up a lot of argument in a few words:

I know that the Coast mills are not charging any more for their lumber than the business of the country warrants. When a lumberman has to pay from $8 to $12 per thousand for his logs, together with the cost of towing them, with the risk of loss, with the manufacturing of the lumber and the handling of it, he has not a great deal left when he charges the price that is being charged now for ordinary rough lumber to the consumers in the North-West. If the Hon. member for Alberta will look closely into that matter he will find that the freight charges on the lumber are responsible for the high charges because the railway com-

panies are making more out of the lumber than the lumbermen are making. It is all very well to say that lumber is a prime commodity, that it is one of the first things that is required for the settler. It is, but there are many other things that are required about the same time. There are hardware, tools, implements and harness for his horses, all of which things are dutiable. But there is no duty on lumber and a few years ago, when lumber was being sold by American dealers in Manitoba, when it was being laid down in Winnipeg for less than the logs cost the British Columbia lumbermen, these lumbermen could not get any protection, while the farmers were willing to take all they could get at that time.

Mr. M. S. McCarthy supported the motion; Mr. R. G. Macpherson said that at the moment it was clearly a matter of supply and demand and the cost of labour and that the Coast mills were full of orders for a year to come; Mr. R. S. Lake urged inquiry, and Mr. T. A. Burrows, a Western lumber manufacturer, said: "I admit that the price of lumber has increased in the North-West to a large extent during the last two years, and there are two reasons for it. The first reason is this, that for the last twenty or thirty years in the Province of British Columbia those gentlemen who put all their wealth into the lumber business did not make any interest on the money invested." The second reason was the great growth of the country. Mr. W. J. Roche supported the need of inquiry; Mr. J. G. Turriff doubted it. So far all those in favour of the Resolution had been Conservatives but it was understood that the Government would grant the Committee. On Feb. 11 such decision was announced by Sir Wilfrid Laurier and a Committee appointed composed of Messrs. T. Greenway (Chairman), W. Sloan, W. E. Knowles, Wilbert McIntyre, G. H. McIntyre, G. W. Fowler, E. A. Lancaster, John Herron and F. L. Schaffner, to inquire into the matters dealt with in Mr. Herron's Resolution. During March a large number of witnesses were examined. On Apr. 19th the Committee reported to the House that they had held 33 sittings and examined 32 witnesses, as well as a multitude of books, letters, price-lists and other documents, with conclusions as follows:

Your Committee are of the opinion that the prices charged for lumber to consumers in the Provinces referred to are excessive. Your Committee find that there has existed for some years past and still exists an association known as The Western Retail Lumbermen's Association. This Association included all three Provinces until recently when the dealers of Alberta formed a similar Association of their own called The Alberta Retail Lumber Dealers' Association. These two Associations amount in the opinion of your Committee to a combination, and the objects and results of the operations of these two Associations have been to unduly enhance the said prices, as appears from the price-lists themselves and the by-laws, minute-books and correspondence, and evidence of witnesses in regard to the said operations. Your Committee also find that more recently the manufacturers formed associations known as The British Columbia Lumber and Shingle Manufacturers' Association and The Mountain Lumber Manufacturers' Association, which, in the opinion of the Committee, amount to a combination; and co-operated with the said retail

Associations, and on the part of these manufacturers a good deal of evidence was submitted to show that their price was not excessive, but before concurring in that view your Committee think there should be more evidence as to the cost of production to the manufacturers. Your Committee also had to take into consideration the fact that the cost of lumber to the settler is materially affected by the cost of freight as well as by the cost to and profits of the manufacturer and retailer.

Early in May the retail dealers in Calgary and Winnipeg raised the price of lumber—with the car shortage as one of the alleged reasons. On the 15th the Moose Jaw Board of Trade passed a Resolution asking the Dominion Government for a measure of relief from the reported lumber combine and declaring that the increasing prices were preventing necessary building operations in the West and pressing heavily on homesteaders and new settlers. The Regina *Standard,* the Calgary *Herald,* and other papers took up the question and also urged Government action. On Aug. 20 the Attorney-General of Alberta had informations laid against the 12 Directors of the Alberta Retail Lumber Dealers' Association charging them with " conspiracy in restraint of trade." Each defendant was charged with three conspiracies, namely: (1) with his co-directors and the other members of the Alberta Retail Lumber Dealers' Association; (2) with the members of the Mountain Mills Association of British Columbia; and (3) with the members of the British Columbia Lumber and Shingle Association. The persons charged were as follows: P. A. Prince, Calgary; W. H. Clark, Edmonton; E. D. Becker, Calgary; A. M. Grogan, Calgary; F. W. Irwin, Vegreville; J. A. MacDonald, Edmonton; A. G. Grosse, Wetaskiwin; D. C. Gourlay, Lacombe; William Dean, Olds; W. Stuart, Calgary; W. Barclay, Claresholm; J. W. McNicol, Lethbridge. The penalty under the Criminal Code was, it may be added, a fine of not more than $4,000 and not less than $200 or two years' imprisonment. There were 144 charges laid in the preliminary investigation which commenced before Inspector Worsley in Edmonton on Sept. 5th. After various witnesses had been examined the case was sent on to the Supreme Court and the trial set for Nov. 18th.

During 1906 a movement was under way in the West to have an inter-Provincial investigation of an alleged combine amongst Western cattle-dealers and a Commission was appointed by the Manitoba, Saskatchewan and Alberta Governments, with the expected adhesion of British Columbia, to inquire into, investigate and report upon the purchase and sale, whether by wholesale or retail, of sheep, cattle and meat in those Provinces; into the industry or trades connected therewith, and the conditions affecting or regulating prices thereof; and regarding the allegations as to combinations affecting trade or prices. The Commissioners originally selected were Alex. Middleton of Medicine Hat, William Scallion of Virden, Man., Gordon W. Quick of Maple Creek,

Sask., and F. M. Logan of Victoria, B.C. Eventually only two of the Provinces—Manitoba and Alberta—decided to go on with the inquiry and on May 13th, 1907, the Beef Commission, as it was universally called, held its first meeting at Medicine Hat, with Mr. Middleton and A. M. Campbell of Argyle, Man., as Commissioners. Sessions followed at Lethbridge, Macleod, Cardston, High River, Calgary, Gleichen, Innisfail, Red Deer, Lacombe, Erskine, Edmonton, Vegreville and Vermilion.

The problem before the Commission was really to find out why prices were rising to the consumer and at the same time decreasing to the producer. To ascertain the facts all sorts of persons were examined—the producer, rancher and dealer, the butcher, transporter and consumer. Mr. P. Burns, the principal cattle dealer and exporter of the West, who was said in 1906 to have handled 65,000 head of cattle, testified at Calgary on June 25th. He was emphatic in denial of any combine. "There never has been a combine in cattle, in Canada, in the existence of the country. The prices which I give are open to the world and are higher than the prices which prevail in Winnipeg and in other places. When Winnipeg was paying 2½ I was paying three cents and this was open to any person who came along with cattle." During the Alberta sittings, which ended on July 22nd, 14 meetings were held and over 300 witnesses were examined. Summarizing the results of the evidence it would seem that the grievances of the large rancher, raising yearly from 300 to 2,000 head of cattle, included delays on the railways which caused inconvenience and loss of money; the difficulty of securing cars in a reasonable length of time after ordering and of obtaining stock-cars at all; the absence of feeding and watering facilities; the rough treatment of animals by engineers; the exorbitant prices paid for hay at unloading stations; the inability to secure room in Winnipeg stock-yards on certain occasions; the dishonesty of commission merchants; the difficulties in connection with ship space; the uncertainty of the British market; the extremely long train-haul which necessarily abused the animals so that the meat appeared in a bruised and deteriorated condition in the British market. The principal alleged trouble of the small producer seemed to be discrimination in shipping, absence of assured safety for his cattle, dislike of dealers to buying small lots.

The Edmonton *Bulletin* of July 23 described the following conditions as generally prevalent: "The monopolistic condition of the whole meat industry; entire lack of competition amongst buyers; the belief that buyers have the Province divided into districts; contract system, which prevents competition amongst buyers; the abuse of the shrinkage system; the inefficiency of brand inspection; the inefficiency of hide inspection. The Report was made public on Dec. 26th and, amongst the matters specified in the mass of detail given, were the fact of a decline in the sheep

industry of Alberta; absolute dissatisfaction amongst the producers of pork owing to lack of confidence in the market; reluctance of stock-men in the beef trade to make necessary changes in their methods, the comparative cleanliness of slaughter-houses, the heavy losses of small shippers, and something declared to be wrong in the beef export trade generally; the shrinkage system of safeguarding buyers described as simple robbery and the system of brand inspection as being on the poorest possible basis. At Winnipeg, on July 31st, and during the following two months, various meetings were held and many witnesses examined—amongst the latter being J. T. Gordon, M.P.P., of Gordon, Ironsides and Fares; R. L. Richardson, of *The Tribune;* W. D. Brauer, Cattle exporter; J. B. Lauzon, M.P.P., a local butcher; H. A. Mullins, a commission merchant; and W. B. Lanigan, of the Canadian Pacific Railway. The Commission was at Minnedosa on Aug. 3, where it heard many farmers, and at Brandon on the 10th. The last sitting was held on Aug. 21st. Mr. Alex. Haggart, K.C., acted as Counsel for the Commission in Manitoba and examined the witnesses. The Report as eventually issued declared that no combine existed.

Position and Record of the Militia in 1907

The Report of the Militia Council for the three months ending Mar. 31, 1907—the end of the new fiscal year—was dated Nov. 26th and signed by Sir F. W. Borden, President, and E. F. Jarvis, Secretary. The progress of the new system of Commands was described as "satisfactory"; the organization of a Military District (No. 13) comprising the Province of Alberta and District of Mackenzie was announced; reference was made to the high importance of a reliable and comprehensive topographic survey of the whole country; continued organization of the Canadian Army Pay Corps was reported and the recruiting establishment of 1906-7 announced as not to exceed 3,244 all ranks; the employment in England of Lieut.-Col. Gwatkin to secure recruits for the artillery and infantry of the Permanent Corps, from British units about to be reduced, was said to have resulted in the engagement of 200 artillerymen and 106 infantrymen of excellent class, character, physique, etc.; reference was made to the difficulty of keeping up full strength in the establishments at Esquimalt and Halifax; and the total for the whole Permanent force on Mar. 31 was stated to be 2,737 as compared with 2,412 on Dec. 31 preceding. Arrangements were said to be in progress between the Imperial and Dominion Governments and the Principal of McGill University for the granting of commissions in the Imperial Army and in the Canadian Permanent Corps to undergraduates of Canadian Universities. The following reference to the Petawawa land question was made and was of importance in view of the discussion in Ontario as to the Government's action in the matter:

The negotiations which were in progress at the end of the year 1906 between the Dominion Government and the Government of the Province of Ontario, with a view to the Crown, as represented by the Minister of Militia and Defence, obtaining a 99 years' lease of Crown lands within the boundaries of the Petawawa Camp site, resulted in these lands being assumed by the Dominion Government on March 20, 1907, by virtue of authority vested in it, under Section 117 of the British North America Act, subject to the existing rights of timber licensees. The Dominion Government was forced to take this action, as the Provincial Government would neither withdraw its condition that the consent of the timber licensees should be first filed with the Department of Lands, Forests and Mines at Toronto, before a 99 years' lease would be granted, nor accept the alternative proposal made by the Dominion Government to purchase the Crown lands within the boundaries of the site, at 25 cents per acre.

The general expenditure in the nine months ending March 31st was stated at $4,347,320; the annual drill figures showed 32,884 officers and men in 1906-7 (9 months) as against 39,100 in 1905-6 (12 months). In the full year 1904-5 the expenditures were $5,594,000. The Board of Visitors of the Royal Military College at Kingston reported that the sons of graduates serving anywhere within the Empire would now be eligible for admission; that preference in this connection should be given to sons of Militia officers of, say 20 years' service; that something should be done to encourage graduates to go into the Permanent Corps. In September Militia general orders put the total establishment of this latter force at 281 officers and 4,553 men.

Meanwhile occasional discussion took place as to the condition of the Militia. A Conservative paper declared that the cost of the Department to the country had grown 158 per cent. between 1896 and 1906 and its purely administrative expenditure 360 per cent. without any corresponding increase in efficiency. The reply of those who studied conditions closely was that during this period there had been an improvement in the matter of arms and in the proportion of the several arms; a good deal of excellent organization into brigades, divisions, and other units; considerable progress in the formation of the administrative forces which plan in advance for various services; particularly good progress in the Medical service and gradual improvement in the higher training of officers for higher posts; the establishment of a skeleton system for decentralization in command and administration; a slight improvement in ammunition and supplies. One writer described the difference as between a condition of utter uselessness and one of partial preparedness. Speaking to the Dominion Rifle Association at its annual meeting on Feb. 27, H. E. Earl Grey, suggested that the rich men of the country as well as the Government should support rifle shooting in view of all that it meant to national safety and business security. In still another connection he said: "Gentlemen, physical training in our schools inculcates those virtues of discipline, obedience to authority, order, system, and self-control that lie at the very foundation of good citizenship,

and I wish Sir F. Borden every success in his efforts to have established a system of physical training in our schools. I understand there are constitutional difficulties, though I hope I am right in thinking that there is nothing but what the Provincial Governments can agree to and so make possible the wearing by all boys upon their arms of the badge of 'national efficient.'"

At a Niagara Camp dinner on June 18, Sir Fred. Borden, Minister of Militia, stated (Toronto *Star* report) that "to be prepared to adequately defend the shores and the frontiers of Canada in time of war, we should have a trained, active militia, consisting of at least two hundred thousand men." Addressing a Rifle Association luncheon in Ottawa, on Aug. 27th, Lord Grey repeated his views regarding the training of boys and was endorsed by the Lieut.-Governor of Nova Scotia. The Minister of Militia, in following, said that he had a dream, which he hoped in a short time would be more than a dream, of having every boy in Canada of thirteen or fourteen years supplied with a rifle and given the instruction necessary to enable him to use it intelligently. He noted the increasing appreciation in the country of the value of rifle shooting, and said that the Government was trying to meet that appreciation by constructing ranges in the larger centres, and ultimately, he hoped, in every county and perhaps in every township.

The Ross Rifle was the subject of much military and some political discussion during the year. Sir Charles Ross, Bart., an officer in the South African war, had invented a service rifle which the Dominion Government had approved, after examination, and adopted for the Militia of Canada; a factory was built at Quebec costing $1,000,000 and employing 500 men; and a good many rifles had been made and distributed by the beginning of 1907. Sundry complaints had also been heard. In the Commons on Jan. 14 a debate took place upon a motion of Colonel A. N. Worthington for returns, etc. The main criticisms to which he referred in his speech were summarized as follows: "That the bolts are apt to drop from the gun when carried by cavalry or mounted infantry in the saddle bucket; that clogging from over-heating is found to occur; that gallery ammunition cannot be used in the rifle; and that its cost is excessive." No actual conclusion was come to in the debate upon these points. Sir Frederick Borden said that in 1898 he had tried to get a Lee-Enfield factory established in Canada but was not successful, and had then accepted the offer of Sir C. Ross; which had also received the approval of a Canadian Board of Officers composed of Colonels Otter, Hughes, Anderson, Gibson and Major Gaudet. Some drawbacks would, however, have to be remedied.

When the returns, contract, etc., were finally presented to Parliament it appeared that Sir C. Ross had agreed to start a factory in Canada in consideration of receiving an order for

12,000 military rifles, with a minimum order thereafter of 10,000 per annum; though Parliament or the Department could refuse in certain contingencies to buy any more rifles if they saw fit. It was further provided that the rifles should be manufactured in accordance with certain specifications prepared by the Department and upon a certain pattern rifle which the Department furnished; and the question as to whether the factory was living up to these standards in every particular was to be left to the Government Inspector of Small Arms—an officer formerly in the Imperial service. If the Government desired any change in the fittings of parts of the gun, all it had to do was to notify the contractor, who was bound to carry out its wishes; and if a change lessened the cost of manufacture the Government could reduce the contract price. In these returns were also included reports of North-West Mounted Police and the Permanent Corps, which were certainly not complimentary to the new arm.

Speaking as to various criticisms of the rifle the Minister of Militia, at the Dominion Rifle Association meeting in Ottawa on Feb. 27, had asked for a fair, square chance to be given it without prejudice or undue suspicion. In his general view he was supported by Major-General P. H. N. Lake, C.B., C.M.G., Chief of the General Staff, who on the same occasion observed: "Speaking personally, I can only say that I fully endorse what the Minister has said about the defects discovered—they are faults of detail and, so far as I have seen, are neither irremediable nor inherent in the Ross rifle. They can be and many have already been remedied. The body and action of the rifle generally seem strong and good. Similar defects to those found in the Ross have come out more or less in all new rifles when put in the hands of troops. That is why they are first put in the men's hands before the pattern is finally adopted—to find out these very points." In the Militia Council Report for March 31 a further reference was made to the subject: "This rifle having been issued to the Permanent force in the summer of 1906, an insight into its performance and suitability was fairly established. A number of defects and shortcomings developed, all of which have been the subject of much thought and earnest endeavour to rectify. It is not considered that any troubles abnormal to the introduction of a new arm and in the working of a new factory are involved." The most vehement critic of the contract and of the rifle was the Conservative *Citizen*, of Ottawa, while the Ottawa *Free Press* was an equally strong defender. In connection with the financial point it would appear that up to the end of 1906 $872,000 had been paid by the Government on progress estimates with final payments of 25 per cent., or $162,500, on 26,000 completed arms. During the summer of 1907, it may be added, the Ross Rifle was used successfully in several important competitions.

Militia incidents of the year were numerous but not exciting. A re-organization of the Toronto Light Horse took place; the South African Memorial Committee of Toronto reported $20,000 in hand out of the $35,000 required; the 22nd Regiment of Oxford Rifles was re-organized at Woodstock with Lieut.-Colonel John White in command; Colonel J. M. Gibson, of Hamilton, was appointed for the second time Commandant of the Bisley Team—having been at Wimbledon some 20 years before; Lord Aylmer told the press at Ottawa, on April 7, on returning from an official visit to the West, that he thought the cavalry out there the finest in the world; the Rev. Chancellor Burwash, of Victoria University, was presented with a Fenian Raid medal in the Toronto Armouries on May 8; Calgary was selected as the headquarters of the new Strathcona's Horse Regiment, with Lieut.-Colonel A. H. Macdonell, D.S.O., in command; Colonel S. B. Steele, C.B., M.V.O., of South African fame, was appointed District Officer Commanding in Alberta and Saskatchewan; the Royal Military College Commandant reported 88 cadets in attendance during the term and some disappointment at their general standard in examinations. The following Presidents were elected, or re-elected, in the more important military organizations during the year:

Organization.	Headquarters.	President.
Dominion of Canada Rifle Association	Ottawa	Colonel S. Hughes, M.P.
Ontario Provincial Rifle Association	Toronto	E. B. Osler, M.P.
Province of Quebec Rifle Association	Montreal	Lord Strathcona, G.C.M.G.
Nova Scotia Rifle Association	Halifax	Colonel J. D. Irving.
New Brunswick Rifle Association	St. John	Lieut.-Col. H. H. McLean.
Prince Edward Island Rifle Association	Charlottetown	Lieut.-Col. F. S. Moore.
Manitoba Provincial Rifle Association	Winnipeg	Major J. R. Wynne.
British Columbia Rifle Association	Vancouver	Colonel J. G. Holmes.
Alberta Provincial Rifle Association	Calgary	Lieut.-Col. J. Walker.
Canadian Artillery Association	Ottawa	Lieut.-Col. Hon. J. S. Hendrie, C.V.O.
Ontario Artillery Association	Toronto	Major J. H. Mitchell.

On Jan. 23rd the 63rd Halifax Rifles were made by Royal command an allied Regiment of the King's Royal Rifle Corps. Under date of April 26 Lord Elgin issued a despatch drawing attention to the rules as to Honorary distinctions and titles in military units. He pointed out that "As all honorary distinctions (not only decorations and medals) must be held to emanate from the Sovereign, they should not, in any case, be granted without His Majesty's sanction having been first obtained. Changes of title which involve the use of the words Royal or Imperial or introduce the name of a member of the Royal Family (*e.g.*, Duke of Connaught's Own) should likewise be submitted in the first instance for His Majesty's sanction. Any application, therefore, to use such designations, or for the grant of honorary distinctions, should be made to the Secretary of State, who will take the King's pleasure on the subject, after conferring with the Army Council." This procedure would in future have to be followed before such changes could be recorded in the official Army List. On Oct. 10

the following officers were granted the temporary rank of Brigadier-General in the Militia: Colonel D. A. Macdonald, I.S.O., Colonel W. H. Cotton, Colonel C. W. Drury, C.B., and Colonel B. H. Vidal. The promotion of Lieut.-Colonel Sir H. M. Pellatt, of Toronto, to the rank of Colonel over 140 senior officers on the active list caused considerable discussion in Militia circles and was supposed to have been the reason of Lieut.-Colonel J. I. Davidson's retirement in October from the command of the 16th (Toronto) Infantry Brigade. In the annual Camps, held during the summer, at which the Militia of Canada received its drill and military exercises and training, the officers in command were as follows:

Camp.	Commandant.
London, Ont.	Colonel J. Peters.
Niagara, Ont.	Brig.-Gen. W. D. Otter, C.B.
Kingston, Ont.	Colonel W. D. Gordon.
Petawawa, Ont.	Lieut.-Col. W. E. Hodgins.
Richmond, P.Q.	Lieut.-Col. R. E. W. Turner, V.C., D.S.O.
Three Rivers, P.Q.	Lieut.-Col. O. C. C. Pelletier.
Levis, P.Q.	Lieut.-Col. A. Roy, A.D.C.
Sussex, N.S.	Lieut.-Col. G. R. White.
Charlottetown, P.E.I	Lieut.-Col. F. S. Moore.
Aldershot, N.B.	Colonel C. W. Drury, C.B.
Winnipeg, Man.	Colonel T. D. B. Evans, C.B.
Calgary, Alta.	Colonel T. D. B. Evans, C.B.

Brigade.	Officer Commanding.
1st Infantry	Lieut.-Col. James Munro.
2nd Infantry	Lieut.-Col. G. Acheson.
3rd Infantry	Lieut.-Col. A. Bertram.
4th Infantry	Lieut.-Col. James Mason.
5th Infantry	Lieut.-Col. E. A. Cruikshank.
6th Infantry	Lieut.-Col. J. Hughes.
7th Infantry	Lieut.-Col. W. B. Edwards.
8th Infantry	Lieut.-Col. A. P. Sherwood, C.M.G.
9th Infantry	Lieut.-Col. F. S. Mackay.
10th Infantry	Lieut.-Col. B. A. Scott.
11th Infantry	Lieut.-Col. J. P. Landry.
12th Infantry	Lieut. Col. H. H. McLean.
14th Infantry	Lieut.-Col. B. A. Weston.
17th Infantry	Lieut.-Col. J. N. Crane.
1st Cavalry	Lieut.-Col. V. A. S. Williams.
2nd Cavalry	Lieut.-Col. T. Clyde.
3rd Cavalry	Lieut.-Col. R. E. W. Turner, V.C.

A somewhat discussed incident of the year was the retirement of Brig.-General Lord Aylmer from the post of Inspector-General of the Militia. It was compulsory and so far as the public or the force itself was concerned sudden in the extreme. Lord Aylmer had only held the post for two years and had been for a time the successor of Lord Dundonald. His programme for the coming Camps was mapped out and as an officer he was still active, alert and vigorous. The retirement was by Order-in-Council dated April 4th, on the eve of Sir Frederick Borden's departure for England, and was confirmed in Parliament on the next day by Mr. Fielding, though he could give no details. The Conservatives at once proclaimed the action as taken in order to promote Colonel B. H. Vidal, and give the latter an opportunity to qualify for an increased pension. No actual proof was offered as to this charge and it was denied in the Senate on Apr. 8th by Hon. R. W. Scott, Secretary of State. Prior to sailing from St. John on Apr. 7, Sir F. W. Borden made this statement: "Lord Aylmer was not dismissed. That is all nonsense. He was appointed for a term expiring Dec. 31st last, at which time he had earned his full retiring allowance. He saw the Order-in-Council and initialled the same with his own hand. He continued to perform his duties after the time named to suit the convenience of the Militia Department. There is one thing I want to say; I do not believe Lord

Aylmer originated any of this fuss. I believe him to be incapable of it because he told me he was content with the arrangement made no longer ago than last Tuesday. His retirement is simply in accordance with the established custom by which senior officers give way to others under a system of promotion found necessary in the interests of the Service." Colonel B. H. Vidal was duly appointed Inspector-General and Colonel F. L. Lessard, C.B., succeeded the latter as Adjutant-General. It was a curious coincidence that in June Lieut.-General the Earl of Dundonald's retirement from the British active list was also announced. He told the press that no employment of any kind had been offered him since he was " turned out of the Canadian Militia for calling attention to political corruption in the appointments to office." The important resignations, changes and appointments in the Canadian Forces during 1907 are given in the following statements compiled from General Orders and Militia Lists:

I. APPOINTMENTS TO COMMAND REGIMENTS

General Order.	Regiment.	Name with New Rank.	Preceding Officer.
Jan. 8..	7th, Nova Scotia Regiment....	Lieut.-Col. J. A. C. Mowbray	Organization.
Feb. 12..	38th, Dufferin Rifles.....	Lieut.-Col. E. C. Ashton....	Lieut.-Col. E. D. Cameron.
Mar. 12..	10th, Canadian Hussars	Lieut.-Col. A. F. Ashmead..	Lieut.-Col. R. E. W. Turner
Mar. 12..	22nd, Oxford Rifles	Lieut.-Col. John White	Organization.
Mar. 26..	8th, Royal Rifles.....	Lieut.-Col. W. C. H. Wood..	Lieut.-Col. W. J. Ray.
Mar. 26..	61st, Regiment de Montmagny .	Lieut.-Col. L. T. Bacon	Lieut.-Col. J. P. Landry.
Apr. 9..	65th, Mont-Royal Carabiniers ..	Lieut.-Col. A. E. D. Labelle.	Lieut.-Col. F. S. Mackay.
Apr. 30..	— Royal Canadian Dragoons	Lieut.-Col. V. A. S. Williams	Colonel F. L. Lessard, C.B.
May 14..	17th, Royal Canadian Hussars..	Lieut.-Col. R. A. Brock	Organization.
June 25..	89th, Temiscouata and Rimouski	Lieut.-Col. C. A. Chauveau..	Lieut.-Col. J. A. Gilbert.
July 9..	10th, Royal Grenadiers	Lieut.-Col. A. E. Gooderham	Lieut.-Col. G. A. Stimson.
July 9..	12th, York Rangers	Lieut.-Col. J. Knox Leslie..	Lieut.-Col. J. T. Thompson.
July 30..	7th, London Fusiliers	Lieut.-Col. F. A. Reid.....	Lieut.-Col. J. W. Little.
July 30..	18th, Saguenay Regiment	Lieut.-Col. J. E. Savard	Lieut.-Col. E. F. Wurtele.
Aug. 13..	93rd, Cumberland Regiment....	Lieut.-Col. E. A. Potter	Lieut.-Col. W. Letcher.
Sept. 10..	3rd, New Brunswick Regiment	Lieut.-Col. J. B. M. Baxter .	Lieut.-Col. W. W. White.
Sept. 10..	35th, Simcoe Foresters	Lieut.-Col. G. W. Bruce	Lieut.-Col. J. B. McPhee.
Oct. 1..	29th, Waterloo Regiment.....	Lieut.-Col. A. J. Oliver	Lieut.-Col. H. Martin.
Oct. 1..	57th, Peterborough Rangers....	Lieut.-Col. A. Stevenson....	Lieut.-Col. J. W. Miller.
Nov. 5..	6th, Duke of Connaught's Rifles	Lieut.-Col. F. W. Boultbee..	Lieut.-Col. J. C. Whyte.
Dec. 10..	9th, Mississauga Horse	Lieut.-Col. W. C. V. Chadwick	Lieut.-Col. G. A. Peters, M.D.
Dec. 17..	20th, Lorne Rifles.....	Lieut.-Col. W. P. Moore	Lieut.-Col. W. P. Appelbe.

II. EXTENSIONS OF REGIMENTAL COMMAND

Jan. 8....	35th, Simcoe Foresters.....	Lieut.-Col. Joseph McPhee.
Jan. 22....	24th, Kent Regiment.....	Lieut.-Col. J. B. Rankin.
Feb. 20....	6th, Quebec and Levis.....	Lieut.-Col. G. S. Vien.
Feb. 20....	4th, Chasseurs Canadiens	Lieut.-Col. J. A. Rousseau.
Feb. 20....	82nd, Abegweit Light Infantry	Lieut.-Col. D. Stewart.
Mar. 26....	75th, Lunenburg Regiment.....	Lieut.-Col. C. A. Andrews.
Mar. 26....	94th, Argyll Highlanders	Lieut.-Col. A. F. McRae.
May 14....	74th, Brunswick Rangers.....	Lieut.-Col. B. Harper.
May 21....	21st, Essex Fusiliers	Lieut.-Col. N. A. Bartlet.
June 4....	83rd, Joliette Regiment.....	Lieut.-Col. E. G. Piché.

III. MISCELLANEOUS APPOINTMENTS

General Order.	Appointment.	Name.
Jan. 8....	Lieut.-Colonel Army Service Corps	Major J. G. Langton.
Jan. 22....	P.M.O. Military District No. 4	Lieut.-Col. C. W. F. Gorrell.
Jan. 22....	D.A.A.G. Maritime Provinces.....	Major A. H. Macdonell, D.S.O.
Feb. 5....	Hon. Lieut.-Colonel 4th Hussars	Major E. Kidd.
Feb. 12....	D.A.G. Headquarters Staff	Major H. A. Panet, D.S.O.
Feb. 12....	Hon. Lieut.-Colonel Royal Grenadiers.....	Major E. E. King.
Feb. 12....	Hon. Lieut.-Colonel 34th, Ontario.....	Major H. Bascom.
Feb. 20....	Lieut.-Colonel Army Service Corps	Lieut.-Col. J. L. Biggar.
Mar. 12....	D.O.C. Military District No. 10	Col. T. D. B. Evans, C.B.
Mar. 12....	Hon. Lieut.-Colonel 97th, Algonquin Rifles .	A. E. Dyment.
Mar. 12....	Board of Visitors, Royal Military College ...	C. E. W. Dodwell, M.I.C.E.
Mar. 20....	Commanding 11th Infantry Brigade.....	Lieut.-Col. J. P. Landry.
Mar. 20....	Commanding 20th Infantry Brigade.....	Lieut.-Col. G. E. A. Jones.
Apr. 2....	Hon. Major-General in the Militia.....	Brigadier-General Lord Aylmer.
Apr. 2....	Inspector-General of the Militia.....	Colonel B. H. Vidal.
Apr. 2....	Adjutant-General of the Militia...	Lieut.-Col. F. L. Lessard, C.B., A.D.C.
Apr. 30....	P.M.O. Military District No. 8.....	Lieut.-Col. M. Maclaren.
Apr. 30....	Lieut.-Colonel Army Medical Corps	Major W. W. Thompson.
May 14....	Lieut.-Colonel Army Medical Corps	Major J. Cameron.
May 14....	Hon. Lieut.-Colonel 38th, Dufferin Rifles...	Major R. H. Palmer.
May 21....	Hon. Colonel Army Service Corps	Colonel Sir E. W. D. Ward, K.C.B.
June 11....	D.O.C. Military District No. 13	Col. S. B. Steele, C.B., M.V.O.
July 9....	Lieut.-Colonel Ordnance Stores Corps.....	Lieut.-Col. R. K. Scott, D.S.O.
July 9....	Hon. Lieut.-Colonel 13th Regiment	Lieut.-Col. A. H. Moore.
July 30....	Hon. Lieut.-Colonel 2nd, Queen's Own Rifles	Major L. L. Palmer.
July 30....	Colonel in the Militia.....	Lieut.-Col. Sir H. M. Pellatt.
July 30....	Commanding 19th Infantry Brigade.....	Lieut.-Col. J. W. Little.
Aug. 13....	Inspector of Cavalry	Lieut.-Col. V. A. S. Williams.
Aug. 13....	Chief Staff Officer, Western Ontario.....	Lieut.-Col. T. D. R. Hemming.
Aug. 27....	Chief Staff Officer, Maritime Provinces.....	Major D. S. MacInnes, D.S.O.
Aug. 27....	Hon. Lieut.-Colonel 14th, King's Canadian Hussars	Major H B. Webster.
Aug. 27 ...	Hon. Lieut.-Colonel 92nd, Dorchester Regiment	Major E. M. A. Savard.
Oct. 8....	Hon. Lieut.-Colonel 65th, Mont-Royal Carabiniers	J. D. R. Forget, M.P.
Oct. 22....	Director of Artillery, Headquarters Staff ...	Major H. C. Thacker.
Oct. 22....	Director of Engineer Services (Headquarters)	Major G. S. Maunsell.
Oct. 22....	Hon. Major-General Permanent Force.....	Colonel J. F. Wilson, A.D.C.
Oct. 22....	Colonel in Permanent Force	Lieut.-Col. R. W. Rutherford.
Nov. 5....	D.A.A.G. Headquarters Staff	Major C. F. Winter.
Nov. 5....	Hon. Lieut.-Colonel 7th, Nova Scotia Regiment	Lieut.-Col. A. G. Hesslein.
Nov. 5....	Hon. Lieut.-Colonel 20th, Lorne Rifles.....	Major M. McCrimmon.
Nov. 5....	Commandant Royal School of Artillery.....	Colonel R. W. Rutherford.
Nov. 26....	Hon. Colonel of the Militia (on retirement)	Lieut.-Col. W. Tobin.
Nov. 26....	" " "	Lieut.-Col. J. B. Forsyth.
Nov. 26....	" " "	Lieut.-Col. Hon. D. Tisdale.
Nov. 26....	" " "	Lieut.-Col. T. J. Duchesnay.
Nov. 26....	" " "	Lieut.-Col. Sir Mackenzie Bowell.
Nov. 26....	" " "	Lieut.-Col. J. F. Turnbull.
Nov. 26....	" " "	Lieut.-Col. Hon. P. Landry.
Nov. 26....	" " "	Lieut.-Col. George T. Denison.
Nov. 26....	" " "	Lieut.-Col. F. King.
Dec. 10....	Hon. Lieut.-Colonel Regimental Medical Services	Major E. C. Echlin.
Dec. 10....	Commanding 6th Brigade Field Artillery...	Lieut.-Col. W. A. Grant.
Dec. 17....	Commanding 1st Cavalry Brigade Western Ontario	Lieut.-Col. C. A. K. Denison.

IV. MISCELLANEOUS RETIREMENTS

May 21....	Canadian Field Artillery	Lieut.-Col. F. King.
May 21....	Canadian Field Artillery	Lieut.-Col. R. L. Maltby.
June 25....	3rd, Victoria Rifles	Lieut.-Col. E. W. Wilson.
July 30....	Ordnance Stores Corps	Lieut.-Col. J. V. Graveley.
Sept. 10....	3rd Brigade Field Artillery	Lieut.-Col. W. Crowe.
Nov. 26....	Hon. A.D.C. to the Governor-General	Brigadier-General W. D. Otter, C.B.
Dec. 10....	A.A. G. for Musketry (Headquarters)..... ..	Lieut.-Col. R. Cartwright, C.M.G.

X.—PROVINCIAL PUBLIC AFFAIRS

The Ontario Administration and Political Affairs

The Whitney Government in its third year of office had some difficult questions to handle, but with the exception of the Power problem, in which differences of opinion were both excusable and inevitable, it may be said to have passed on to the verge of a first general election with the maintenance of its principles undisputed and its place in public confidence undisturbed. During its term the secrecy of the ballot had been absolutely assured; public education taken in hand, the system improved, and the cost lessened to the people; the University of Toronto re-organized and reformed; the management of public property bettered and the public treasury enriched; iron-smelting and sugar-beet bounties abolished, railway subsidies practically discontinued, royalties on mineral lands collected and the administration of forests and timber limits improved; the License laws well enforced and a new system of book-keeping and finance established; large surpluses maintained and purity in elections and cleanness in administration achieved.

There were no changes in the *personnel* of the Government during 1907 and the chief matters requiring its attention—the Power problem, the Educational issues, the ever-active Liquor question, and the proceedings of the Legislature, are dealt with separately. There were few bye-elections. West Middlesex became vacant in February owing to the retirement of the Hon. G. W. Ross, who had represented the constituency for 24 years. His son, Duncan Campbell Ross, of Strathroy, was nominated by the Liberals on Feb. 13, and G. A. Stewart of the same place by the Conservatives. A vigorous campaign was fought on both sides and the result on Feb. 20th showed 2,024 votes for Mr. Ross and 1,884 for Mr. Stewart—a Liberal majority of 140 as against 113 in 1905. On Feb. 26th the decision of the Court of Appeal was given in the Rainy River election case confirming W. A. Preston, Conservative, in his seat. In the original protest against H. W. Kennedy a number of alien votes had been disallowed by the Court —and Mr. Kennedy unseated.

The death of G. N. Kidd, M.P.P., caused a vacancy in Conservative Carleton for which on Mar. 5th Mr. R. H. McElroy, of Carp, was nominated by the Conservatives. His opponent was W. H. Harton, and in the election on Mar. 18th Mr. McElroy was chosen by 1,625 to 960 votes. In West York, vacated by the widely-regretted death of Hon. J. W. St. John, Speaker of the

Legislature, Dr. Forbes Godfrey was the Conservative candidate and carried the seat against Esten Williams, Independent, and F. J. Peel, Socialist, by 2,702 votes to 134 for Peel and 313 for Williams. In Dufferin an election occurred on July 24th as a result of the death of Dr. F. W. Lewis, Conservative. In this contest Mr. C. R. McKeown, Mayor of Orangeville, was nominated by the Conservative Convention but, owing chiefly to internal party differences and to the fact of the Independent candidate being a farmer, the vote was 1,943 to 1,850 and the Conservative majority 93 as compared with 292 in 1905. A different result was visible in Brockville, vacated by the late Opposition Leader, Hon. G. P. Graham, upon his entering the Dominion Government. Mr. A. E. Donovan was the Conservative candidate and W. A. Lewis fought the Liberal ticket. The former conducted his campaign largely in a personal way and did not trouble about meetings or speakers; while the latter had Liberal leaders and speakers in plenty. The result was a vote of 2,036 to 1,711, or a majority of 325 for the Conservative, as against a Liberal majority in 1905 of 169, and a Liberal record of success in many preceding years. The Government was naturally greatly pleased at this victory.

The Budget presented to the Legislature and the Province on Feb. 28th of this year was creditable to the Hon. A. J. Matheson, Provincial Treasurer, and to the Government. Mr. Matheson referred in his speech to the increases in revenue and expenditures during the last two years and described the latter as having helped in providing better and more efficient education; in the scientific and material development of the dairy, stock and grain industries; in the provision of better roads throughout the Province and a great advance toward the completion of the Temiskaming (Government) Railway; in the improvement of public buildings and public works; in more efficient care of the sick, the insane and the general health of the people; in the relief of local taxation, the development of mining interests, the enforcement of License laws, and the better administration of justice. "Our finances have been put on a sound basis, the loans necessary for the building of the railway have been put on a permanent basis, the indirect liabilities for which this Government was not responsible have been diminished, and the great increase of revenue has enabled us to pay our way, notwithstanding a greatly-increased expenditure, and to save out of revenue in the past two years $1,050,000 which will be available for the completion of our railroad—the Temiskaming and Northern Ontario Railway without further borrowing, I hope—and towards public works within this Province." In the calendar year 1906 the revenue had been $7,149,478 and the expenditures $6,720,179, or a cash surplus of $429,299 in addition to the 1905 surplus of $620,000. Two loans had been floated during the year—one of £1,200,000 and one of $3,000,000—and, with $408,000 from the cash in hand, had been expended upon the

Provincial Railway; leaving cash at credit in the Banks totalling $3,497,239. The figures of revenue and expenditure for this year and also for the calendar year 1907* were as follows:

Revenue.	Year Ending Dec. 31, 1906.	Year Ending Dec. 31, 1907.
From Dominion of Canada	$1,339,287 28	$1,734,029 68
Interest	161,135 94	188,721 13
From Crown Lands, etc	269,044 27	1,299,019 30
Mining Licenses, Fees and Royalties	85,256 06	480,342 19
Timber bonus Dues, etc.	1,900,914 62	1,219,051 32
Sundries Lands Department	11,172 99	70,081 28
Licenses	579,207 10	587,126 60
Law Stamps	85,945 60	94,684 75
Education Department	64,545 85	47,828 21
Provincial Secretary's Department	208,023 59	257,208 43
Fisheries	63,998 57	68,111 91
Agriculture	86,224 16	78,598 18
Supplementary Revenue Act	644,201 99	672,241 76
Success Duty	1,015,713 24	833,502 99
Public Institutions	277,441 66	266,391 74
Casual Revenue	173,819 50	164,525 27
Temiskaming & Northern Ontario Railway	158,154 47	235,090 69
Sundries	25,391 50	23,863 76
Total Receipts	$7,149,478 39	$8,320,419 19
Civil Government	$ 428,280 46	$ 502,883 20
Legislation	215,195 36	223,327 80
Administration of Justice	544,826 60	579,598 16
Education	1,270,921 71	1,359,105 81
Public Institutions, Maintenance	957,347 35	990,379 18
Central Prison Industries	58,905 02	65,483 69
Colonization and Immigration	35,350 86	52,024 45
Agriculture	432,296 90	480,317 84
Hospitals and Charities	334,169 56	338,011 70
Public Works	85,117 29	133,410 03
Repairs and Maintenance	76,488 22	95,336 40
Public Buildings	368,846 75	422,222 12
Colonization Roads	219,559 37	316,906 39
Charges Crown Lands	476,660 81	541,827 61
Miscellaneous Services	214,172 53	196,815 12
Commutation Veterans' Land Grants	71,800 00	46,850 00
Special Grants, Payments, etc	538,324 53	806,241 19
Railway Aid Certificates	130,860 68	120,860 68
Annuity Certificates	102,900 00	102,900 00
Interest on Bonds, Sinking Funds, etc	158,154 47	339,744 34
Total Expenditure	$6,720,178 47	$7,714,245 71

On Jan. 1, 1906, the balance in Banks was $1,939,579; on Dec. 31st it was $3,497,239; on Dec. 31, 1907, it was $1,674,084.05. The Assets of the Province on Dec. 31, 1906, included the above cash in Banks, a total of $173,997 in debentures and $30,591 of a sinking fund, together with trust funds held by the Dominion totalling $3,382,847 and the Temiskaming and Ontario Railway, which was valued at more than $9,000,000. The Liabilities in-

* NOTE—Budget Speech delivered Mar. 19, 1908.

cluded debts of $1,737,190 due the Dominion on Indian Treaty matters; $5,840,004 of Ontario Government inscribed stock; $3,000,000 of Ontario Government bonds and stock; Railway certificates and Annuity certificates, at current value, $3,917,023; University of Toronto certificates of $551,073. The total was about $15,000,000 as against $13,000,000 of Assets. There were three indirect Liabilities—the Algoma Central guarantee of $1,000,000, the Niagara Falls Park bonds of $600,000 and the Canadian Northern Ontario Guaranteed debenture stock of $5,360,000. It may be added that Mr. Matheson's estimate of revenue for 1907 was $7,612,287 and for expenditures $6,519,131.

In the course of his speech the Provincial Treasurer laid stress upon the sale of the Montreal River Pulp Concession as being a new plan of procedure and netting the Government $300,000; upon the increased taxation of railways with the warning, however, that "it is not in the interest of the Province that this tax should be excessive"; upon the imperative necessity of guarding against over-expenditure and over-borrowing by municipalities; upon the fact that in 1905 and 1906 the Province had paid all its ordinary expenditure out of ordinary revenue and had a million dollars surplus on that account. Mr. E. J. B. Pense, the Opposition critic, was moderate in his criticisms and declared that the Liberal party "having broken the ground" claimed a rightful share to whatever credit inhered in the Budget of the day. The Succession duties and Corporation taxes were the results of Liberal policy; as was the division of License fees with the municipalities. He deprecated the heavy increase in expenditures, approved cheap Electric Power, urged a request for Federal aid to technical education, and a triennial audit of accounts. On April 9th supplementary estimates totalling $516,201 were asked for and the total appropriations for 1907 were thus increased to somewhat over the gross expenditure of 1906.

The Government had some differences with the Dominion authorities during the year. The Federal incorporation of the Dominion Power and Transmission Company, Ltd., with a capital stock of $25,000,000, and as a sort of holding company for various street railway, electric light, power, and other interests in Hamilton, caused strong objection to be expressed by the Ontario Government against a merger which was regarded as an effort to take certain electric roads and connections from under the control of the Ontario Railway Board. In the Legislature on Feb. 13th Mr. Whitney said: "For the last few years a perfect stream of applications has been going to Ottawa from local roads to take them out of our jurisdiction, and it seems that even commercial concerns declared to be for the 'general benefit of Canada' can defy us in the same way. If this is made general our control over our own affairs becomes merely nominal. If a large Company can be formed by merely organizing a number of short lines chartered

by this Legislature, and go to Ottawa, and have them declared to be out of our jurisdiction, then I certainly think it is time for us to enter a protest. Now, I say, Sir, and I am weighing my words, that our Government will not submit to this unless it is compelled." If everything else failed the Province in this connection there remained, the Premier pointed out, the power of taxation. The Opposition Leader (Mr. G. P. Graham) indicated his support of any policy which would adequately protect Provincial rights.

On Feb. 19th a drastic measure was presented to the Legislature by Hon. J. S. Hendrie enacting and declaring that any Company, operating a public utility incorporated under a general or special Act of Ontario, which should afterwards by Act of the Dominion Parliament be declared to be for the general advantage of Canada, or which was absorbed, amalgamated with, controlled, or operated by any other Company, so declared, should unless the Lieut.-Governor-in-Council otherwise decided, lose all "powers, rights, privileges and franchises" conferred by letters-patent or by any Act of the Province. In addition, agreements made by such Companies with Municipalities for the exercise of their franchises should become void, and the Companies forfeit all claim to any bonus or aid granted by such corporations. It was also provided that hereafter no municipal corporation in the Province should enter into any contract with, or pass a by-law in relation to any railway, or public utility company, declared to be for the general advantage of Canada, or which was not within the legislative jurisdiction of the Province, until such by-law or agreement had been approved of by the Lieut.-Governor-in-Council. Otherwise such agreements or by-laws would be void. This "Bill respecting certain Railway and other Corporations" was not discussed at any length and received its third reading on April 17th, without division, though with a protest from Mr. D. J. McDougal of Ottawa.

In reply to an intimation from Mr. A. G. MacKay that it should be given more consideration the Premier said: "True, this is serious legislation; we intend it to be so. True, it is a drastic bill—we desire it to be so. It is designed to resent and put a stop to the insuperable barriers and obstacles with which officious legislators at Ottawa seek to embarrass the Province. It is aimed against the trend of affairs at Ottawa to trample upon Provincial rights. When a Department of the Dominion arrogates to itself the power to break contracts between man and man, it is time to call a halt and, as far as it is humanly possible, this Government intends by this Bill and other efforts which will be evident later on, to stop the recklessness—the collective recklessness—of the Parliament of Canada in dealing with Provincial rights." Meanwhile the Hamilton Radial Railway campaign had been progressing at Ottawa though destined to be ultimately

checked and, on April 19th, a telegram from the Ontario Premier to his Government's legal representative there instructed him to protest vigorously against the proposal as "distinctly an outrage on the civil rights of the Province." On the previous day the Senate had passed by 48 votes to one the following Resolution moved by Hon. L. O. David:

> The Senate (1) will insist upon the application of Section 92 of the British North America Act, 1867, in accordance with the spirit and true intent of that Section, to the end that the exclusive powers of the Legislatures of the Provinces of Canada may be protected and preserved; (2) the Senate will not consider the mere insertion in a Bill of a declaration that a work is for the general advantage of Canada to be in itself sufficient foundation for the exercise of the legislative authority of the Parliament of Canada; (3) the Senate will not pass any Bill containing a declaration that a local work or undertaking is for the general advantage of Canada or for the advantage of two or more of the Provinces unless the truth of that declaration has been proved; (4) the Senate will not consider the presence in a Bill of clauses relating to subjects within the legislative authority of the Parliament of Canada to be in itself sufficient reason for the enactment of other clauses relating to subjects not within that authority.

The Petawawa property controversy was another of these differences. For some time the Dominion and Provincial Governments had been negotiating for the purchase of these grounds by the former to be used as a Militia-training Camp. The Dominion authorities wanted a lease of the lands (about 55,000 acres situated near the town of Pembroke) for 99 years at a nominal rental or were willing to purchase outright at 25 cents per acre. The Provincial authorities were quite willing to meet these conditions but wished to protect the existing rights of timber licensees (valued at $100,000) and refused to take any action without their consent. The Province also claimed compensation to the extent of $25,000 for its own interest in the timber licenses and dues. On Mar. 27th Sir F. W. Borden wired Mr. Whitney that these demands were exorbitant and that "on advice of the Minister of Justice that the lands could be taken for defence purposes under the British North America Act steps were taken accordingly."

In the Legislature on Apr. 15th, the Prime Minister protested vigorously against this action as "an outrageous attempt on the part of a Minister at Ottawa to take over the property of the people of Ontario without compensation. The Government would carry the case, if necessary, to the foot of the Throne." The following Resolution was also passed: "This House has learned with surprise and regret of the action of the Dominion authorities in taking, without the consent of the Province, 55,000 acres of its lands, with the timber thereon, and with the avowed intention of making no compensation for the lands or the timber, and this House cordially approves the course taken by Your Honour's advisers of earnestly protesting against the action taken. This

House also desires to assure Your Honour that it will, by all means which it can command, assist Your Honour's advisers in maintaining the rights of the Province." Mr. Aylesworth, Minister of Justice, in a press interview at Ottawa on Apr. 17th defended the assumption of the property for purposes of defence, declared that the lessees would be as well looked after by the Dominion as by the Provincial Government, and pointed out that the Courts were open to them if dissatisfied with their treatment. The subject was discussed in the House of Commons on Apr. 24th.

In the case of the C.P.R. *versus* the Ottawa Fire Insurance Company, which came before the Supreme Court of Canada on May 7th, there was involved the right of the latter as a Company incorporated under a Provincial Act, to make contracts within the Province for the insurance of property without the Province. The issue was of such far-reaching consequences that its re-argument was ordered so that Federal and Provincial interests might be heard on the constitutional question involved. The decision on the appeal of the Railway practically involved the right of Provinces to charter such companies and an incidental revenue in Ontario's case of some $200,000 in fees, etc. Counsel were present representing Ontario (C. H. Ritchie, K.C., and Thomas Mulvey, K.C.) and the Quebec, New Brunswick, Saskatchewan and Dominion Governments, as well as the Companies directly involved. The appeal was dismissed and Provincial rights in the matter maintained. By a decision of the same Court on May 13th Ontario won about $45,900 of additional interest due on Trust moneys ($1,909,845) held by the Dominion Government; while the latter obtained the right to pay these Trust funds over to the Province and to thus escape the perpetual payment to the Province of the rate of 5 per cent. interest thereon. Another judicial decision, in the Exchequer Court on Dec. 9th, settled a question of disputed jurisdiction between the Province and the Dominion in connection with certain Indian Treaty rights and involved the payment by the former of $338,000 to the Federal authorities and permanent responsibility for a yearly payment to the Indians.

The Provincial Government was concerned during 1907 over the matter of rights in the Cobalt Lake Mining property. It had in 1906 sold the bed of the Lake to a Company, of which Sir H. M. Pellatt was President, for $1,085,000 and, by special legislation in the succeeding year, declared the title of that Company and of the purchasers of the Kerr Lake property, valid. In presenting his measure on April 4th the Attorney-General (Hon. J. J. Foy) stated that an Order-in-Council had been originally approved in 1905 withdrawing Cobalt and Kerr Lakes from prospecting; that they had been sold to the present owners and patents issued; that action had since been brought against the holders and purchasers calling in question their title, embarrassing their operations, and injuring their financial position. "The object of

this Bill is to declare that the title given by the Crown to these lakes is an absolutely good title. Especially when the Crown has received full value there ought to be no question that the person who receives the title should be confirmed in it. Provision is made in the Bill to protect any rights that anyone might have because of prior discoveries. It provides that their claims should be dealt with by the Lieut.-Governor-in-Council." Mr. Foy declared that the Government deemed the claims under discussion to be frivolous, stated that the whole district knew of the region being withdrawn from prospecting, and added that if there were any well based claims the responsibility was simply shifted to the Government. Meanwhile the purchasers must be secured in their title. A portion of the Opposition objected to the measure and, on Apr. 16, Mr. D. J. McDougal moved an amendment that " the Government must recompense any successful claimant or litigant to the amount of the proven claim." This was negatived by 48 to 14 and the 3rd reading carried on the same vote. The Florence Mining Syndicate had, meantime, been prosecuting vigorously—as elsewhere described—its claims to an alleged prior discovery and rights and the Ottawa Government was unsuccessfully asked by them to disallow this Provincial legislation. Mr. J. M. Clark, K.C., the solicitor for the Company, put up a keen legal fight in the matter during the year and described this Act on Apr. 5th as taking away the vested rights of individuals, as being beyond the powers of the Legislature, and as without precedent in the history of the British Empire.

A much exaggerated matter of mid-summer interest was an alleged movement in northern Ontario for organization into a new Province. It was contended—largely in the Opposition press—that there was considerable discontent in that part of the country as to Mining regulations and Government expenditures upon roads and development generally. The people were said to feel that the great new regions in the north were being financially exploited for the benefit of the Province; with no adequate return to themselves from the taxes which they contributed to the general total. On Apr. 1st a meeting, held at Emo, near Fort Frances, was announced as having declared in favour of a new Province to be composed chiefly of the Districts of Algoma, Nipissing, Thunder Bay, Rainy River and Manitoulin, with an area of 632,815 square miles, a population of 152,940, a revenue to commence with of $1,250,000 and a Dominion subsidy of $1,000,000. Incidentally the Provincial Government was denounced for its mining, timber and general New Ontario legislation and a Committee was appointed to start an agitation along these lines. Press interviews which followed with W. A. Preston, R. R. Gamey, C. N. Smith, and Dr. T. S. T. Smellie—the members from that part of the Province—indicated that there was a certain amount of restless discontent as to existing conditions but nothing deserving

serious consideration. Mr. Gamey, however, suggested a Commission of Inquiry while J. A. Osborne, of the Fort Frances *Times,* stated on May 15th that the movement was gaining weight. Another meeting was held at Stratton in the same region on May 18th and the action of Emo endorsed. The Sault *Express,* a Liberal organ, voiced these complaints, while the Toronto *Globe* of May 25 replied with the statement that Ontario must be "an indivisible Province." This latter journal, however, sent up a correspondent to see what was the matter, and his contributions of June 3, 5, 10, indicated the nature of the alleged grievances to be chiefly the want of good roads, the burden of education, and the conflict of interest as between the settler on the one hand and the lumberman and miner on the other.

On June 7th a Convention of delegates held at Fort Frances, from various parts of the Rainy River District, endorsed the Emo Resolution in favour of secession and appointed a Committee composed of H. A. Tibbetts of Rainy River, J. A. Osborne of Fort Frances and Dr. T. H. Bethune of Emo, to carry the agitation further. On June 25th it was announced that Hon. F. Cochrane, Minister of Lands, Forests and Mines, would, personally, look into the matters complained of and hold meetings in various parts of the Rainy River District. Prior to this and accompanied by the Hon. Dr. Reaume, Minister of Public Works, and Hon. Nelson Monteith, Minister of Agriculture, a visit had been paid in June to the Cobalt region—including Cobalt itself, New Liskeard, Englehart, Haileybury, and Latchford. Messrs. Monteith and Reaume then proceeded to the Abitibi district to select a site for the Government Farm in that region. On July 3rd Messrs. Cochrane and Reaume were at Fort William, on the 4th at Port Arthur, on the 6th at Fort Frances, on the 8th at Emo, on the 9th at Rainy River. With them at most of the meetings were R. R. Gamey, W. R. Smythe, A. O. Aubin, W. A. Preston and Dr. Smellie—Conservative members for New Ontario. In November Mr. A. G. MacKay, the Opposition Leader, also visited New Ontario.

The demands or desires presented at Emo were typical of the whole series of places and they included larger road grants with the work done by contract; one million dollars for roads in the unorganized region; education and school grants to be doubled; free school books and the Government to pay one-half the cost of the District school buildings; veteran grants to be deeded at once and no more to be placed in District; lands to be sold when taxes were one year in arrears; homesteads to have no reservation whatever in patent, more power to be given local land agents to locate, cancel, and re-locate, residential clause to be eliminated providing homesteader lived in the vicinity, timber permits to be continued as heretofore; Indian Reserves to be acquired and thrown open to *bona fide* settlers; action to be taken to prevent discrimination

in freight rates on the Canadian Northern Railway against Rainy River products; Algoma land tax to be done away with; more Government activity and a better class of immigrants wanted; larger grants to fairs and the establishment of experimental stations; District to have twice as many representatives in Legislature. The visitors were well received, careful consideration of conditions was everywhere promised, and upon his return Dr. Reaume said to the press: "I found four secessionists. Two were ashamed of the title and two were Liberal leaders." Of course a great many roads and bridges were needed, but the Government policy was going to be liberal. "There is a great stretch of country in the Rainy River District which is able to stand considerable settlement and the Government must encourage the pioneers and help them with roads and bridges."

In February of this year the Dominion Grange met in Toronto and its Committee on Legislation reported satisfaction with Mr. Cochrane's measure to impose a graded tax on mineral output and with the general increase in railway taxation. In the latter connection, however, it expressed discontent with "a system under which a flat rate per mile is imposed, the effect being to place the same tax on a given length of railroad regardless of whether same is earning five or fifteen thousand dollars per mile. Still less can we approve of a system under which railway property as a whole pays a tax of $100 per mile in Ontario as compared with $333 in Michigan, and $1 on a piece of property which, if rated on the same basis as farm lands, would pay $3." It urged the withdrawal of the clause in the Education Act under which a minimum salary for teachers was based on the assessed value of the school section, and also the Government's policy in increasing the grants to rural schools. Of other incidents in this connection there may be mentioned the tender of a Toronto Syndicate for the lease of a North Temiskaming timber limit which brought the Government, on Mar. 14, a cash bonus of $40,000 and acceptance of all its conditions; a colonization proposal from the Salvation Army to settle ten townships in the agricultural "clay belt" of the north with people from the Old Land which was discussed with General Booth but did not, apparently, go through; the organization on Mar. 29th of an Ontario branch of the Independent Labour Party with a view to running candidates in Provincial as well as Dominion and Municipal elections; the aggressive attitude of the Toronto *Globe* in the matter of a projected extension of the Temiskaming and Ontario Railway to Hudson's Bay. On May 17th it declared that: "Reasonable rapidity of construction will not add materially to the cost of the main line, and the branches can wait. The first great objective is Hudson's Bay, and there is no reason why the route to it should not be completely located within the next few months. A year from next fall at the latest should see the whole line under contract."

A deputation from the Algoma Central Railway on Mar. 25th, vigorously endorsed by the Sault Ste. Marie *Star,* and headed by F. H. Clergue and W. H. Hearst of the Sault, R. Wilson-Smith of Montreal, and other capitalists, waited upon the Government and asked them to take back the land grant given the Railway at its inception and in lieu thereof to guarantee its bonds to the extent of $25,000 a mile for connection with the Transcontinental Railway. On Aug. 1st. it was stated by the Toronto *Globe* that 310 unauthorized and illegal names had been added to the voters' list of the Town of Trenton and an inquiry into the matter was promptly authorized by Mr. J. J. Foy, Attorney-General. The result was a recommendation from Judge Deroche that as no actual harm had been done and as the original motive was good, no further action be taken against the official who had committed the irregularity. A delegation from the Canadian Manufacturers Association waited upon the Government on Sept. 25th to urge that, in appointing Provincial Factory Inspectors, non-union men should be selected; while on the same day the District Trades Council of Toronto passed a Resolution urging that all such officials should be Union men. It was generally stated in the press on Sept. 30 that representatives of sundry financial interests in Canada and the United States had offered the Government $1.00 an acre for 1,000,000 acres of land in New Ontario, north of the Height of Land, but the offer was declined. A similar proposition was said to have been also made in October by a Syndicate of English and Canadian capitalists; but, if so, it was declined. On Oct. 1st the Provincial guarantee to the Consolidated Lake Superior Company loan of $1,000,000 was renewed by the Government for another six months.

A conference was held at Ottawa on Nov. 7 between Hon. Nelson Monteith, Mr. C. C. James and Mr. Thomas Southworth, representing the Ontario Government, and Mr. Oliver, Minister of the Interior, and W. D. Scott, Superintendent of Immigration. The question at issue was the jurisdiction of the respective Governments over the work of Immigration agents in the distribution of settlers for Ontario. The Dominion authorities had some 200 of these agents; the Ontario Government had a much smaller number. Mr. Monteith declared that there was over-lapping and friction; Mr. Oliver wanted co-operation. Finally, on Nov. 20th, some little time after this discussion, the Ontario Government announced that it had stopped the work of distributing immigrants in the Province and proposed to leave such duties entirely in Dominion hands. On June 6th Messrs. Coates, Son & Company, a financial house of London, England, announced that it would sue the Ontario authorities for £3,000 commission in connection with the Temiskaming Treasury bills of 1904 and the alleged agreement with Mr. Harcourt and the late Ross Government to

float this loan in London through the firm mentioned.* The Government's defence was filed on Nov. 20th and declared that "the Temiskaming Railway Commissioners were the only persons who had authority to borrow money and that Mr. Harcourt had no authority, either from the Government or the Legislature, to make any such agreement, and further, that the agreement would be void as being improvident and contrary to public policy."

The contention that politics can be made to enter into anything in Canada was illustrated by the attack of the Ontario Liberal press, headed by *The Globe,* upon the Attorney-General's Department at Toronto in the Orangeville occurrence. It was a case of mal-practice in which the unfortunate victim died under peculiarly revolting circumstances. When the case came before Chief Justice Falconbridge on May 13, after ten months' delay, the prisoner, Jackson, was released on suspended sentence as the result of an agreement between the Court, the Crown Counsel and the defence. His alleged accomplice, a druggist named Douglas, was discharged on May 29th through the withdrawal of the charge against him and on the ground that a Crown witness could not be prosecuted. The case was a disgusting one and the miscarriage of justice obvious; but as to whether any one was to blame or not was an open question. It seemed to be a matter of law and technicalities —of the difficulty of legally proving what was clear to everybody's conviction and common sense. All the Attorney-General's Department could apparently do was to issue the statement on May 20 that "after the matter was considered in all its bearings, having reference as well to the nature of the evidence before the Grand Jury as to that which was given and to be given at the actual trial, the Provincial detective and the Crown Prosecutor and the Chief Justice presiding at the trial, came to the conclusion that the interests of justice would be best served by disposing of the case in the manner adopted. The public may rest assured that this conclusion was reached for very good reasons." There was a hue and cry in parts of the press and the Department was strongly attacked; while the subject was for some time one of unpleasant public discussion.

The matter of dismissed officials was discussed from time to time in the Liberal press. James Gillespie, Sheriff of Prince Edward County, was removed in January on the ground of partisan conduct; J. J. B. Flint, for twenty years Police Magistrate of Belleville, was asked to resign; Thomas Woodyatt, Police Magistrate of Brantford, was dismissed for an alleged "use of intemperate language upon several occasions"; Thomas McDonald, Registrar of Deeds for Dundas County, was dismissed for active partisanship after a formal investigation conducted by Mayor J. C. Judd of London; G. R. VanZant, Governor of Toronto

* NOTE—See *The Canadian Annual Review* for the year specified.

Gaol, was dismissed in June, after an official investigation by Mr. J. C. Judd—acting as a special Commissioner—who found him guilty of improper conduct and incompetency. In connection with charges made against Mr. H. F. Gardiner and the management of the Belleville Deaf and Dumb Institute, Mr. A. J. Russell Snow, of Toronto, was appointed a Commissioner for purposes of investigation, and in his Report, submitted in September, cleared the management of blame, except, perhaps, in showing a slight political partiality; and submitted certain recommendations regarding changes in the system of instruction, methods of awarding contracts, and improved inspection. Though not exactly dismissed, the retirement of Dr. Beattie Nesbitt, Registrar of Toronto (West), on Nov. 11th was precipitated by a veiled attack upon Hon. W. J. Hanna in a preceding speech at Gravenhurst.

These dismissals were occasionally referred to in the Legislature and on Feb. 19th, in reference to some Opposition remarks regarding Sheriff Gillespie's dismissal, Mr. Whitney said that he had often noted in the press and elsewhere a disposition to hold that the dismissals which had taken place were without his approval. That was a mistake, he declared. "The responsibility is first with me, and I spurn sympathy of any kind. It would be strange, indeed, if we did not make some mistakes, but I do not believe a single change has taken place which was not warranted. The Government has sought to be careful, so much so that they have incurred a feeling from their own friends that they have not gone far enough." As to appointments during the year it may be said that Chief Justice Moss acted as Administrator of the Province during the absence in July of the Lieut.-Governor; that Mr. Frederick Dane, of Toronto, was appointed a Commissioner of the Temiskaming and Northern Ontario Railway; that Mr. G. R. Mickle, B.A., Professor of Mining in Toronto University, became Provincial Mine Assessor in May with control of Mining Inspectors and, practically, of mining taxation; that Dr. Walter Murray English was appointed Medical Superintendent of the Hamilton Asylum. The retirement of Mr. Charles Clarke, one-time Speaker of the Ontario Legislature and for many years its Clerk, was an incident of the early months. Other Provincial appointments were as follows:

Gazetted.	Name.	Position.
Jan. 19.	Arthur H. Sydere	Clerk of the Legislative Assembly.
Jan. 19.	Lt.-Col. J. M. Delamere	Deputy Clerk of the Assembly.
Jan. 19.	George A. Payne	Police Magistrate of Campbellford.
Feb. 9.	James Gibson	Sheriff of Prince Edward County.
Feb. 9.	R. A. McDonald	Police Magistrate of Russell County.
Feb. 9.	W. W. Kidd	Police Magistrate of Grimsby.
Feb. 16.	Peter McGregor	Police Magistrate of Dundalk.
Feb. 23.	M. A. McHugh	Judge of the Surrogate Court of Essex.
Feb. 23.	R. F. Young.....	Police Magistrate of Stayner.
Feb. 23.	S. J. Dempsey	Sheriff of County of Renfrew.
Mar. 2.	Charles McArthur	Police Magistrate, District of Parry Sound.

Gazetted.	Name.	Position.
Mar. 9.	Jesse Bradford	Police Magistrate of Sturgeon Falls.
Mar. 9.	Stewart Masson	Police Magistrate of Belleville.
Mar. 23.	J. H. Shields	Police Magistrate of the County of Halton.
Apr. 6.	C. MacKenzie	Police Magistrate of Petrolia.
Apr. 13.	John Butler	Police Magistrate of Goderich.
May 4.	Frank Moberly	Police Magistrate in District of Nipissing.
May 18.	Thomas Magwood	Sheriff of Perth County.
June 12.	Rev. A. B. Chambers.	Governor of Toronto Gaol.
June 22.	T. J. Woodcock	Police Magistrate for North York.
June 29.	Wm. Martin, Jr.	Police Magistrate for Town of North Bay.
July 6.	Francis Holmsted	Police Magistrate of Seaforth.
July 27.	Michael McConnell	Sheriff of the County of Haldimand.
Aug. 3.	W. C. Livingstone	Police Magistrate of Brantford.
Aug. 17.	J. A. Devenny	Police Magistrate in District of Nipissing.
Aug. 17.	G. H. Clark	Police Magistrate of Orillia.
Aug. 24.	Alex. Irving	Sheriff of the District of Sudbury.
Sept. 28.	G. C. Richardson	Sheriff of the County of Carleton.
Oct. 26.	R. H. C. Browne	Police Magistrate of Cobalt.
Nov. 16.	Samuel Dice	Police Magistrate of Milton.
Nov. 19.	Herbert A. E. Kent	Registrar of Toronto (West).
Nov. 23.	James H. Fell	Sheriff of the District of Manitoulin.

A number of deputations waited upon the Government during the year. A committee of the Toronto Board of Trade urged upon Mr. Whitney, on Jan. 19th, the necessity of improving railway and telegraph facilities between Toronto and the Cobalt district; a delegation of mining and Toronto business men waited on Mr. Cochrane, Minister of Lands and Mines and Forests, and asked him not to permit any discrimination as between smelters erected or to be built in the northern part of Ontario; a large deputation from the Natural Gas regions of the Province told Mr. Cochrane on Feb. 26th that his proposed tax on this mineral product would be hurtful to the small owners and, after admitting that they favoured the taxation of mines as a whole, the following reply was received from the Minister: "Up in the north, in my own constituency, among my own people engaged and interested in the mining operations, they do not feel kindly to the mining tax, which you endorse. I don't think it is a vote-getter for me. I know it isn't. It is because I think it right, in the interests of the Province, that I submit it to the Legislature. It may not be politics. I don't suppose it is. But will we be any the worse for trying principle instead of politics for a while?"

On Feb. 13th a delegation, 200 strong and representing the municipal and other interests of Algoma, was received by the Government. Headed by Dr. J. H. Gimby, Mayor of Sault Ste. Marie, the speakers included J. H. McNally, J. F. McKay, W. H. Hearst, J. A. Montague, and J. C. McMillan. They contended that the settlers should receive more consideration and the lumbermen less; that the Mississauga forest of 2,000,000 acres should be gradually opened for settlement and a special grant of $300,000 be given to build a waggon-road from Sault Ste. Marie to Sudbury; that a railway be built or aided from the Sault to the

main line of the C.P.R. or the Transcontinental. They asked for enactments making it impossible for speculators to tie up large areas of land without paying their fair share of municipal taxes; for larger grants to schools in agricultural sections; for the withdrawal from license of lands on which the pine timber had been cut and on which people were settling; for the establishment of a time limit within which lumbermen must take off their timber; for permission to farmers to cut all timber other than pine; for the calling of tenders in the construction of colonization roads; for suitable methods of taxing mineral lands where such were lying unworked; for the sale in small lots of timber lands unfit for cultivation and the right to hold tax sales every year; for all possible aid to the development of the mining resources of Algoma and encouragement to the smelting and refining of ores in the Province as a whole; for 50 per cent. of the revenue derived from Algoma to go back to that part of the country in the shape of necessary public works. Mr. Whitney promised consideration and the "fruits of consideration." On Mar. 6th the Private Bills Committee of the Legislature received a letter from the Premier dealing with a proposal to run Sunday street cars in Port Arthur which checked the matter at once and won the subsequent warm approval of the Lord's Day Alliance.

Proceedings of the Ontario Legislature in 1907

The 3rd Session of the eleventh Parliament of Ontario was opened by His Honour the Lieut.-Governor (W. Mortimer Clark, K.C.) on Jan. 24th with a Speech from the Throne which referred to the bountiful harvest, the increasing enterprise, and the commercial activity of the past year; mentioned the recent Inter-Provincial Conference at Ottawa as adding about $800,000 to the revenue of Ontario; described the Government's immigration policy as one of inducing farmers and farm labourers to settle in the Province; mentioned the floating of the Temiskaming Loan at par and without expense other than advertising; stated that substantial progress had been made in the consolidation of the Provincial statutes and that it had been necessary to create another Judicial District in Northern Ontario; declared that "very satisfactory progress has been made in the direction of procuring cheap electric power for consumers"; referred to the projected extension of the Temiskaming Railway to a point of junction with the Grand Trunk Pacific and to its increased passenger and freight traffic; spoke of the great value of mineral deposits in the Cobalt region, dealt with the Government's policy of conserving public rights in this respect and of legislation for the taxing of mining properties, and warned the people against tendencies to "hasty and reckless investment and speculation"; promised amendments to the Public Schools Act and a settlement of the question of text-books; referred as follows to the question of extending Manitoba's boundaries:

The claims of the Province of Ontario to its hinterland were pressed upon the Dominion Government, my Ministers urging that the boundaries of Manitoba be extended northward to Hudson's Bay, by producing the Eastern boundary of that Province northward until it strikes the Churchill River and then, by following the middle of the channel of the said river until the latter debouches into Hudson's Bay, and that for geographical and other reasons the remainder of the Territory of Keewatin lying east of the suggested eastern boundary of Manitoba, contiguous to Ontario and bounded on the north and east by Hudson's Bay and James Bay, be allotted to the Province of Ontario.

The Session which followed was an interesting one in many ways and produced a good record in legislation. In succession to Hon. J. W. St. John, whose regretted death evoked very sincere eulogies from the members of the House, Mr. Thomas Crawford, representing West Toronto, was on Apr. 8th elected Speaker. Mr. G. P. Graham had, already, at the opening of the Legislature been chosen Leader of the Opposition. The Address was moved on Jan. 25th by G. H. Ferguson, seconded by Donald Sutherland, and passed on the 29th after due discussion and the presentation by the new Liberal leader of a new platform and policy. As to legislation reference may first be made to the Government measure increasing the salaries of Cabinet Ministers holding portfolios. Though expected for some time it was not introduced by the Premier until Apr. 3rd. Under its terms an increase of $2,000 was given to each Executive member of the Cabinet, bringing the total up to $6,000 a year with the Sessional indemnity of $1,000 as an addition. The Prime Minister was to receive $3,000, as such, besides $6,000 salary as President of the Council and $1,000 indemnity. Mr. Whitney stated that the Government assumed full responsibility for the measure, had not consulted the Opposition and was not prepared to include a proposal to grant the Opposition Leader a salary in this Bill—though the subject might be dealt with separately.

Mr. Graham approved the measure. "The members of the Executive Council should be properly paid, and any Minister who is not worth the larger salary is not worthy of the office which he occupies. The matter of salary for the Leader of the Opposition has been discussed in the newspapers. Personally I could not think of accepting a salary in addition to my indemnity, even if it were offered to me, and however kindly might be the spirit which prompted the suggestion." There were some differences of opinion amongst members of the House but they did not find public expression except in a few cases—Messrs. A. Studholme, Jacob Kohler, S. Clarke, J. A. Auld and A. Hislop being Liberals who opposed the Bill in its third reading (Apr. 16) without, however, forcing a division. Dr. Goldwin Smith referred to the subject as follows in the *Farmer's Sun* of Apr. 3rd: "A lawyer asks more for a single case. The addition, after all, is rather a rectification than an increase. It will certainly not more than

balance the fall in the purchasing power of the salaries caused by the rise in prices since they were fixed. Not only has the value of the salaries fallen, but the labours and responsibilities of the offices have, by the growth of Provincial business in amount and importance, been greatly increased. The cares of a Government of Ontario are now hardly less extensive and serious than those of the Government of one of the minor States of Europe. We demand of our public servants strict probity. To secure it, unless public office is to be confined to the rich, fair salaries must be paid."

The Hon. Mr. Cochrane presented three Mining measures to the Legislature in this Session. One dealt with the Mines Act of 1906, made clear a number of clauses which had been variously misconstrued, and reduced the miner's license fee from $10 to $5, while raising the fee for filing a claim to $10. Another measure was designed to encourage the refining of metals in Ontario and authorized the Governor-in-Council from time to time to pay bounties on metals or compounds when refined in the Province from native ore. On refined metallic nickel the limit in amount was $60,000 a year; on refined metallic cobalt it was $30,000; on refined metallic copper it was $60,000; on white arsenic it was $15,000. The bounty was made payable for five years and was only payable to those able and willing to "smelt, heat, and refine" similar ores for persons or companies other than themselves. The third measure was the most important and most discussed. It proposed to supplement the revenues of the Crown by placing an acreage tax on all mining lands in unorganized territories and by taxing yearly profits (in excess of $10,000) of working mines whether in organized or unorganized territories. The proceeds were to be devoted chiefly to the encouragement of smelting and refining metals within the Province as proposed in the preceding Bill. The annual profits would be ascertained from the gross receipts of the year's output of the mine—less a number of specified and detailed expenditures.

In moving the second reading of his Bills on Feb. 21st Mr. Cochrane said: "Ontario has the largest nickel, corundum, and cobalt mines in the world, but it is impossible to get any of the refined ores except as imported from foreign countries. It is hoped that by offering bonuses for the refining and smelting of these metals they will not only help the mineral industries in those lines but industry in all lines. The United States admit 80 per cent. nickel matte free of duty but charge a duty of six cents per pound on the refined ore. That country uses one-third of the nickel output of the world, and if Ontario can afford to bonus the refining it will put its producers of the refined ore on an equal basis in the United States market." Mr. C. N. Smith of the Opposition cordially endorsed the principle of the Bounty measure. To the Mining tax, however, there was instant antagonism ex-

pressed and certain arguments used were summarized in a Resolution of the Ontario branch of the Canadian Mining Institute on Feb. 20th, as follows:

> That this Branch of the Canadian Mining Institute would respectfully suggest that the Mining Taxation Bill now before the Ontario Legislature is directly opposed not only to the mining interests of Ontario but also to the general interests of the Province. Apart from the Cobalt District, which is still in its infancy, and the Nickel mines of the Sudbury District, there has been little successful mining in Ontario, although it is generally known that there are vast and rich deposits of copper, gold, iron and other minerals requiring large investment of capital for their successful development. Up to date millions have been invested in this Province from which no profit can be obtained. If this Act be passed the result will be to prevent further investment of capital and the manufacturing and farming interests will lose the large profits that would ensue from the establishment of successful mining communities. The members of the Institute further believe that the passing of this Bill will prevent the investment of large sums of foreign capital necessary to the proper development of the baser minerals and low grade ores of the Province which require large expenditure; and will greatly depreciate the value of the shares or interests now held by thousands of Ontario investors in Ontario mines—in many cases virtually ruining persons of small means.

There were also protests against the included tax on Natural Gas; the argument chiefly used being its availability as a cheap fuel. Cobalt was said to view the legislation with extreme dissatisfaction and on Feb. 25th a large and representative meeting of miners and mine-owners passed a Resolution declaring the measure opposed to the Mining interests and welfare of the whole Province, objecting to the selection of mines as a special object of taxation, pointing to the varied fees, patents, licenses and other forms of taxation to which mining companies were now subject, stating that they were busy creating a new market for the goods of older Ontario, using the argument as to investment of capital, and urging the appointment of a Royal Commission of Inquiry before further action was taken.

On Feb. 28th the members of the Standard Stock Exchange of Toronto interviewed Mr. Cochrane and added their protest against the measure as one of "partial confiscation." On the following day the men of Cobalt met the Minister and their large deputation claimed that the tax would hurt mining, injure investment and make success still more difficult. The Hon. Mr. Cochrane was frank and explicit in his reply though representing the region most directly affected by his Bill. He pointed out that railways, banks, trusts and industrial corporations were all taxed. "Last session," he said, "we doubled the tax on Railways, and I honestly don't see any justice in the arguments that the Cobalt mine profits, being realized on the natural resources of the Province, should not stand their fair share. The mode of taxation may be a matter of argument in which I am ready and anxious to have assistance and counsel. Let me tell you straight, as a man, that I believe the present conditions of speculative boom

which you deplore are caused by the mining men and brokers themselves. They have gone on filling the papers with reckless statements not calculated to help your district. And not one mining man rose to contradict or counteract this attempt to manufacture a stock boom out of what should be an honest enterprise. Let me tell you men of my own district that this was far more injurious to the getting of capital to develop the mineral resources of this Province than any tax we can put on your profits." He asked for a Committee to advise with him in details. The Canadian Mining Institute, at its meeting on Mar. 6th, added another protest to the already quoted Resolution of its Ontario Branch.

In the Legislature on Mar. 7th Mr. Cochrane stated that a change had been decided upon in respect to the basis of taxing the profits of mines. Instead of a sliding scale it had been decided to impose an uniform rate. The object of the Bill was to secure some revenue from the rich resources of the mining industry for the Provincial Treasury. People, generally, were beginning to demand a greater return from the natural resources of the country, but he would not have introduced this measure had he thought that it would in any way deter the development of the mining industry. That industry was in its infancy, but it was rapidly coming to such a position that in a few years its output would equal that of other resources. The mining interests by their campaign of Company promotion had done much to create the demand for the tax. "The present Bill would impose a tax on profits and on acreage. All the miners with whom he had discussed the question in detail had agreed that this was the most equitable method of taxation. An exemption of $10,000 would be allowed and allowance made for all working expenses and a percentage-tax placed on the balance." Mr. C. N. Smith, of Sault Ste. Marie, opposed the tax as did L. J. Labrosse. Other Liberals approved it. Mr. D. J. McDougal objected to some details; Mr. Harcourt's criticism was very moderate. Mr. A. G. MacKay approved the principle while suggesting certain modifications in form. The Bill then passed its 2nd and finally its 3rd reading without division. It may be added here that the intention of the acreage tax was to encourage development and check the speculative holding of lands. As finally announced on Mar. 12 the exact impost on mining profits was 3 per cent. in excess of $10,000 annually and 2 cents an acre in unorganized districts. The tax on Natural Gas was to be 2 cents per 1,000 feet with a rebate of 90 per cent. to persons using the product of their own wells. A rebate was promised of the tax on iron-ore when such ore was smelted in Canada.

Another important Act was Hon. W. J. Hanna's measure respecting Joint Stock Companies. In his explanation of the Bill on Feb. 5th the Provincial Secretary stated that it consolidated 19 separate Acts now governing Companies in the Province;

that by its terms all companies must in future be incorporated in the Department of the Provincial Secretary; that it was designed to protect shareholders in companies by compelling the issue to them of complete and detailed statements as to financial standing, etc.; that share warrants could now be issued as under the British Act; that bonuses or special payments to Directors would be prohibited except under a two-thirds vote of shareholders specially called for the purpose; that Directors would be made responsible for statements in prospectuses issued in Ontario; that a compulsory yearly audit could be had on the application of any shareholder; that Mining Companies were to come under its operations; and that there would be a uniform system of incorporating all companies. This measure represented a task of great magnitude in codification, simplification and amendment. The Toronto *Globe* of Dec. 14, 1906, had indicated this in an editorial reference to the subject: "One effect of the proposed re-arrangement and re-statement of the law, if it is enacted, will be not merely to simplify, but also to shorten the statute law on the subject. As the various Acts stand at present there is a great deal of useless repetition and overlapping, which is done away with in the present draft. The reduction of 300 pages of statute text to 90 pages will of itself be a distinct advantage." Mr. W. H. Hoyle's oft-pressed proposals as to the protection of shareholders also won recognition in the Bill. The measure was well received and fairly discussed by the Opposition and, on Mar. 20th, Mr. A. G. MacKay stated that in the years he had been in the House he had never seen a measure brought down on which there had been so much work expended. The Bill passed its 3rd reading on Apr. 11th without division.

The legislation of the Session—including these measures and the Education and Power Bills—totalled 228 Bills introduced and about 130 passed into law. Amongst the latter were Bills to provide for Government co-operation with Municipalities in building colonization roads in new districts; to give a time allowance for Separate School teachers to qualify in; to improve and render more stringent the Fish and Game Act and to constitute a new branch of the Public Service to be known as the Game and Fisheries Branch; to (indirectly) exempt Fraternal insurance from the law relating to Succession Duties and to provide a penalty of 25 per cent. for any concealment in estates liable to those duties; consolidating and amending the Manhood Suffrage registration and abolishing the special registration Courts except in cities and towns of over 10,000 people; restricting the operations and powers of pawnbrokers; granting a gratuity of $4,000 to the widow of Mr. Speaker St. John and $1,000 to his daughter; improving public highways by providing for the County construction of roads with Township maintenance after a three year period and subject to a two-thirds vote of the

ratepayers; permitting the Niagara Power Co. to inerease its bonded indebtedness from $8,000,000 to $10,000,000. The first division of the Session was on Feb. 26th and dealt with the question of Prison Labour eontraets. Mr. T. H. Preston (Lib.) moved a Resolution stating "that the eontraet system as applied to prison labour is harmful to the prisoners employed on sueh eontracts, prejudicial to both labour and eapital employed outside of prisons and opposed to sound public poliey; that any eontraets with the Government for Central Prison labour now in existenee should be abrogated at the earliest possible moment." Hon. Mr. Hanna spoke for the Government, stated its poliey in the premises, and proposed an amendment deelaring that "this House approves of the annouueement made by the Government that the whole question of Prison labour has been for some time under consideration, and will be inquired into forthwith, with a view to arriving at a solution whieh will prevent for the future any eompetition of Prison labour with free labour." The amendment was earried by 53 to 16 votes.

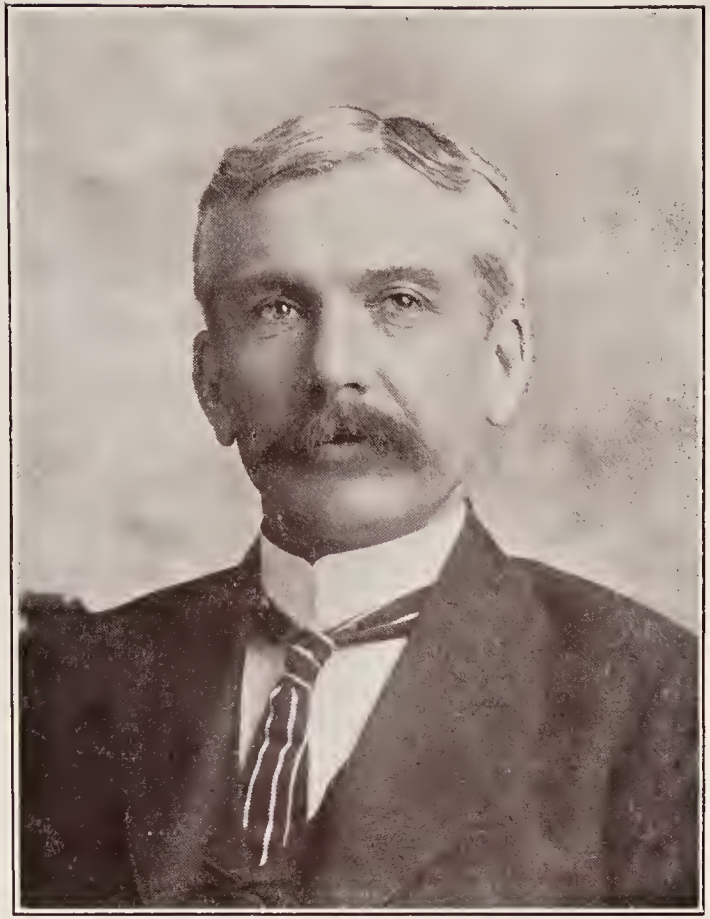
Ineidents of the Session ineluded the presentation and diseussion of Mr. J. P. Downey's measure for the ereation of County Assoeiations to treat tubereulosis and to prevent the spreading of the disease —whieh was referred to the Provineial Board of Health for further eonsideration; the diseontinuanee of the bounty to Sugar-beet manufacturers; Mr. T. H. Preston's Resolution protesting against ehild labour, and laying down eertain eonditions for the treatment of the problem, whieh reeeived the eompliments of the Government and the appointment of a Speeial Committee to deal with the question; the statement by the Provineial Treasurer on Mar. 11th that the Government was not eonsidering the sale of Government House and that offers to purehase it had not been entertained; the unanimous passage of a Resolution on Mar. 15, moved by the Premier and seeonded by the Opposition Leader, endorsing the work of the Hague Conference on Peaee and deelaring in favour of obligatory arbitration, a permanent Congress, and reasonable reduetion of armaments by eoneurrent aetion; the independent advocaey by Mr. P. H. Bowyer (Cons.) on Mar. 14th of higher railway taxation; the statement by Hon. Mr. Coehrane on Feb. 27th that the Government proposed setting aside a seetion of the Cobalt district in whieh the elaims would be inspected before titles were given. This was not necessary, generally, but in a rieh seetion where elaims were readily saleable, whether minerals existed or not, this safeguard was deemed necessary. The policy was to be extended to the Larder Lake distriet, though in all cases, the Minister said, claims that were already staked would not come under this plan. The statement was also made by Mr. Coehrane, on Mar. 1st, that the Government had not received any *bona fide* offers for the mineral rights of the Gillies limit or any portion thereof. It was not the present intention of the Government to parcel out,

or sell, or lease that property, now held by the Province. Neither was it their intention to open the Gillies limit to prospectors.

Other incidents included an Opposition motion (Apr. 18) expressing regret "that the Government has not shown greater diligence in dealing with the San Jose scale and other pests that infest the orchards of Ontario," which was lost by 51 to 22 votes; the motion by C. N. Smith (Lib.), also on the 18th, dealing with Northern Ontario which was defeated by 52 to 21 votes and which declared that in lands now or hereafter opened for settlement the *bona fide* settler should have a free grant of all timber and minerals thereon or thereunder, including petroleum, and subject to proper restrictions and regulations to prevent location of lands, unfit for settlement, for agricultural purposes; the contention of the Opposition that agriculture was not being properly treated by the Government which was answered by the fact of the net expenditure in 1898 being $233,631, in 1900, $239,640, in 1902, $234,340, in 1904, $375,765, in 1906, $432,297. The Legislature was prorogued by His Honour, the Lieut.-Governor, on Apr. 20th with a lengthy review of the work done and important measures passed.

Liberal Leadership and Policy in Ontario

The beginning of 1907 saw the retirement of the Hon. George W. Ross from the Legislature in which he had sat for 24 years and from the party leadership which he had held since 1899. He was appointed to the Senate on Jan. 13th and the question of succession at once became a matter of interest in political circles. The names most prominently and naturally suggested were those of his former colleagues in the Liberal Government of 1905—George P. Graham and A. G. MacKay, K.C. Others mentioned were T. H. Preston, M.P.P., and N. W. Rowell, K.C. There was talk of a "clean slate" in leadership and policy; of a complete separation from the story of the past; of a party Convention which should shake things up generally. The Ottawa *Free Press* suggested (Jan. 15) a temporary appointment for the Session followed by a Provincial Convention; *The Globe* (Jan. 15) declared that the successor of Mr. Ross "must be not only a House leader, but a man who will catch the popular imagination and rouse the country when the General Election, now probably less than eighteen months in the future, is held. The party anticipates a forward movement all along the line. Considerations of political expediency, no less than the tradition of historic Liberalism, demand that new ground be broken and new issues raised." The opinions of Liberal members in the Legislature differed as to a choice by Legislative caucus or by party Convention. Mr. A. G. MacKay favoured the latter method; Mr. G. P. Graham thought the former would be followed. On Jan. 24th, when the Legislature opened, a Liberal caucus unanimously elected Mr. Graham—who had sat in the House since 1898 and been for a few months Pro-



MR. GEORGE PERRY GRAHAM.

Elected Leader of the Liberal Opposition in the Ontario Legislature, 1907. Appointed Dominion Minister of Railways and Canals, 1907.

MR. ALEXANDER GRANT MACKAY, K.C., M.P.P.

Appointed to succeed Mr. Graham as Leader of the Ontario Liberal Opposition in 1907.

vincial Secretary—as Leader of the Opposition for the current Session. He at once issued a statement that the position was accepted subject to the calling, at an early date, of a Convention of the party. A journalist by profession, personally popular and clear from political complications of a hampering character, the selection was well received.

On Jan. 29th Mr. Graham delivered his first address in the House as Liberal leader. After a tribute to his predecessor and a critical, pleasant and, at times, witty review of the Government's policy, he declared that the Liberal party was not going to "continue riding with its back to the engine"; that it proposed to act and live in the present for the future; that it would build on the fundamental principles of every man being equal before the State and of the greatest good to the greatest number of the people; that it was not opposed to capitalists but to companies which paid dividends on watered stocks; that titles in Cobalt and other mining investments should be made secure if the necessary inspection took weeks or months; that the Government might well consider the establishment of a smelter in New Ontario and that the Temiskaming Railway should be extended from North Bay to some point on Georgian Bay; that aid to Toronto University should be given in the form of a fixed annual grant and not be based on receipts from Succession duties. Upon the question of Municipal ownership he declared that the Liberal party had taken a very advanced stand: "During their *régime* towns were given the right to acquire systems and street railways. Under a Liberal Government the people built a railway into the heart of New Ontario. The Liberal party have been the party of ownership of public utilities by the people." Mr. Graham finally summarized his policy and that of his party in the Legislature. We stand, he said:

1. For a practical and progressive Forestry policy now and for the future.
2. For the abolition of contract labour at the Central Prison in any form.
3. For fair play to legitimate investments, but not one cent for watered stock.
4. For rational capitalization and limitation of the powers of such corporations as the Standard Oil and other companies which are endeavouring to take money out of Canada.
5. For absolute and unassailable mining titles by the Government.
6. For free school-books as part of the equipment of the public and separate schools.
7. For cheap electric power for the municipalities and the people.
8. For economical management of the Provincial business; notwithstanding the buoyancy of the revenue.
9. For absolute control by municipalities of their own streets and every encouragement in the ownership and operation of their own utilities.
10. For management of the public school system by a head experienced in and conversant with that system.

During the ensuing Session Mr. Graham proved a capable and popular leader and one who could deal hard blows when the oppor-

tunity offered. He supported the salary increases for the Government, without consulting his followers, and this aroused some slight criticism. On Feb. 14 he moved that "In the opinion of this House, owing to the vast interests involved, the time has arrived when the Government should make a thorough inquiry into the question of Life insurance by Fraternal Societies, with a view to establishing a safe and equitable table of rates, which table of rates shall be the minimum to be charged by all Fraternal Societies operating under Provincial license or charter"; but after a discussion which brought the matter fully before the Government the motion was withdrawn. Meantime he took part in the West Middlesex fight and spoke at Strathroy on Feb. 15 in behalf of Duncan C. Ross with Civil Service reform as the chief plank in his platform; addressed a meeting with Mr. Aylesworth at King City on Feb. 8th and a Liberal banquet at Barrie on Mar. 1st. He opened the Brantford Liberal Club on Apr. 13; addressed a banquet of Toronto Liberal workers on May 20; spoke at the Whitby party Convention on June 4th and was at Ailsa Craig on the 11th. Early in September Mr. Graham left the Leadership to enter the Government at Ottawa and once more the Provincial Liberals were without a head.

It was generally understood that Mr. Alexander Grant MacKay, M.A., K.C., who had sat in the Legislature since 1902 and filled for a short time the post of Commissioner of Crown Lands under Mr. Ross, would succeed to the Leadership and, on Sept. 20, a conference in Toronto of the Liberal members of the House so decided. He told the press that Mr. Graham's policy was his. "The administration of the liquor system must be improved and removed from the arena of partisanship; the Education Department is a failure and should be re-organized and improved; and the Spoils system should be permanently abolished." The new Leader was described by his friends as one of the best lawyers in the Province, as a rapid and tireless worker, as a fluent and pleasing speaker, as gifted with unusual physical vigour. There could be no doubt of the excellent work which he had done for his party in the Session of 1907. Mr. MacKay at once took up his work and was welcomed at a non-partisan meeting in his home town of Owen Sound on Sept. 21st; spoke at a Liberal demonstration in Athens on Oct. 4, where he declared the existing system of paying school teachers to be class legislation and favoured leaving the matter of salaries in the hands of trustees; addressed a Brockville meeting on Oct. 5th, one at Brantford on Nov. 9th, another at St. Mary's on the 12th, one at Port Dover on the 13th and another at Delhi on the 14th. Port Arthur was visited on Nov. 18 and two meetings addressed; Fort William on the 19th and Kenora on the 20th; Fort Frances, Rainy River and Emo were also visited. He spoke at Milton on Dec. 7th and was in Toronto on the 16th. A special feature of this initial campaign was the advocacy of Law

reform and the statement (in Toronto) that "the Law procedure of Ontario is a thousand years behind the times."

The Niagara Power Question and Government Policy

This problem had, in 1907, a three-fold aspect and has to be dealt with from the financial, political, and municipal points of view. In the first connection the Electrical Development Company had some $14,000,000 invested in the project; its credit was pledged in financial circles where any failure to make good the expectations raised would, presumably, be hurtful to the Province as well as to the Company; its promoters, Sir H. M. Pellatt, Fred. Nicholls, and William Mackenzie, after bearing for years the stress of the struggle to supply Toronto and the Niagara Peninsula with power, naturally felt that they should receive special consideration in any Government action which public opinion might now render necessary; the talk of expropriation under the Hydro-Electric Power Commission, in Mr. Beck's speeches and in newspaper advocacy, had already, in 1906, damaged its credit and business. In this connection and without any reflection upon the policy involved it may be safely said that more consideration might have been given at this time in speeches and in the press to the fact well put by the Toronto *News,* on Dec. 14, 1907, that "when the early concessions were granted, it was regarded as a great public advantage to interest private capitalists in the exploitation of Niagara for electrical purposes, that any proposal to accomplish this object by Provincial or municipal action would have been treated as political madness, that the whole enterprise was regarded as highly experimental and speculative." Upon the financial results of the cheap Power campaign the annual Report of the Electrical Development Company for 1906, dated February 27, 1907, contained a specific statement by its President, Sir H. M. Pellatt:

> The proceedings of the Hydro-Electric Commission have caused delay in the development and prosecution of the plans of this Company for the distribution of power—no municipalities or private consumers could be canvassed because of the promises which have been made to them; the public expected that the Government was about to deliver power at very low rates, and this naturally caused a feeling of unrest and uncertainty among financial men, and among those more immediately interested, like the shareholders of this Company and similar companies, and prevented that buoyancy in the securities of this Company which otherwise most certainly would have resulted from the successful completion of this great undertaking, and the first delivery of power from Niagara over the long-distance transmission line. Signs are not wanting that this matter of the Government development is now better understood by the people, and, on the other hand, I am confident that the present Government is now fully alive to the situation, and will not permit anything to be done which would have the effect of taking away from or diminishing those legitimate profits which the nature of this enterprise ought to command.

Complicated with the general position of the Company, its financial needs and the hampering influence of the political situa-

tion was its contract for 25 years with the Toronto Electric Light Company, which distributed 15,000 horse-power, and for 18 years with the Toronto Street Railway Company which used about 12,000 horse-power—an arrangement which, under more favourable general conditions, would have ensured financial success to the undertaking. Into this situation was suddenly interjected the competition of the Ontario Power Company—a concern of American origin and capital which had hitherto devoted itself to supplying United States interests with electric power, but which during 1907 took advantage of the natural cleavage between the Beck line of advocacy and the interests of the Electrical Development Co. to obtain a share of this new Canadian field which seemed to be opening up. The possibilities were certainly great enough to attract the competition and, it might have been supposed, to afford room for it without serious injury to pioneer interests. General Francis V. Greene of Buffalo, the President of the Ontario Power Co., told the Empire Club of Toronto on Jan. 10th that:

> It is not alone in manufactures that cheap power will prove advantageous, but also in lighting, possibly in heating, and certainly in many domestic uses, not alone in the great cities, but in the villages and on the farms. I believe the day is not far distant when practically every house in Ontario within 200 miles of the Niagara River will be lighted by electricity supplied by the power of the great cataract. It will be running the sewing machines, the churns, the ice-cream freezers, the ventilating fans, the house pump, the knife cleaner and sharpener, the dish-washing machine, the clothes wringer and other parts of the laundry, and a host of other domestic utensils not yet invented, but much thought about at the present time by a multitude of inventors.

From the financial standpoint, during 1907, there was no doubt that the Electrical Development Co. had the claims of pioneer work and investment, skill, business influence and justifiable expectation of profit, though without any returns actually in hand for the outlay made; that against it, as events developed, was a Provincial Government policy seeking, quite properly, for cheap power for the people, a Municipal advocacy of public ownership which was widespread and popular, a Socialistic tendency in many quarters which was quite selfish and comparatively indifferent to considerations of investment and credit or the interests of capital, a political desire to be on what was popularly supposed to be the side of the people and against the constantly-alleged greed of the modern capitalist. How the Electrical Company got such a combination against it is difficult of explanation and must be left to the events themselves to indicate. It may be well to add that the union of electrical interests represented by Messrs. Nicholls, Pellatt and Mackenzie were the Electrical Development Co.—manufacturers of power; the Toronto and Niagara Power Co.—transmitting medium for the manufactured power; the Toronto Electric Light Co.—distributor of power and also consumer under contract; the Toronto Railway Co.—a contract consumer.

The Government position in the matter was at first explicit. It was primarily embodied in the objects and work of the Hydro-Electric Power Commission of which the Hon. Adam Beck, Minister without Portfolio, was Chairman and George Pattinson, M.P.P., and John Milne, of Hamilton, members.* Practically, Mr. Beck was what the press called him—Minister of Power in the Provincial Government. His business and that of his Commission was to supervise the development and use of water-powers for the production of electricity; to help the municipalities in promoting and securing cheap power for their utilities; to provide the data and information upon which organized action along this line might be carried on, but without pledging or binding the Government to any financial expense or final responsibility; to arrange terms and conditions of contract for the supply of power from Niagara Falls by the Commission to municipalities—subject to the guarantee of the latter as to cost. On Jan. 7th, sixteen municipalities, within the Niagara Power district, voted by-laws authorizing contracts to be entered into with the Commission for the local supply of electric power and including Hamilton, Woodstock, London, Brantford, St. Thomas, Stratford, Toronto Junction, Guelph, Galt, Ingersoll, St. Mary's, Waterloo, Preston, Hespeler, Weston, and Paris.

On Mar. 14th Mr. Beck stated that applications had then been received for over 100,000 horse-power from the Falls. Meantime the Minister had addressed a number of meetings, from time to time, explaining prices, conditions, and possibilities. He was at St. Thomas on Jan. 3rd, when he declared that in a few years all the railways would be operated by electricity and that the power would greatly benefit farmers, workmen and industries. The Commission was certain that it could be supplied locally at from $21.00 to $26.50 per horse-power. He was at Kingston on Feb. 15, and gave the local rate there as $21.43 if 2,750 horse-power were taken—or one-half what Winnipeg was paying. Meanwhile the question of how to obtain and distribute this power was before the Government and the Commission. The Ontario Electrical Development Co. controlled the manufacturing plant at the Falls, a transmission line to Toronto, and the distribution plant in that City; the Ontario Power Company, which now also came into the field, had a manufacturing but no transmission or distributing plant; the Government or Commission had none of these essentials. It only held a more or less assured promise of a circle of municipal customers for its power. Negotiations followed and on Apr. 11th Mr. Fred. Nicholls, Managing-Director of the Electrical Development Co., formally offered to supply the Commission with electric power at its Niagara Falls switchboard upon specific conditions of which the following were the chief:

*NOTE—For origin of this question and early proceedings of the Commission see *The Canadian Annual Review* for 1905 and 1906.

(1) The basis upon which power supply is to be measured will be a flat power at peak load basis; (2) the price to be paid by the Commission to this Company will be at the rate of $12 per horse-power, up to a maximum of 25,000 horse-power, and any power in excess of that quantity to be paid for at the rate of $10 per horse-power, it being understood that the extra power over and above the 25,000 horse-power will be taken in blocks of not less than 10,000 horse-power; (3) this contract is to extend over the term of ten years, the Hydro-Electric Commission, however, to have the option of renewing for a further term of ten years by giving a year's previous notice; (4) this Company is ready to deliver the first 25,000 horse-power to the Commission at a short notice; (5) it is understood and agreed that in the event of the Hydro-Electric Commission not experiencing the demand for power, which they anticipate, they will be relieved of the obligation to pay therefor—it being, however, provided that in the event of their requiring power at any time they will contract with this Company for the first requirements up to 25,000 horse-power on the basis set forth above.

Then came the announcement that the tender of the Ontario Power Company was the lowest and would be accepted together with the subsequent offer in September of a part of the territory to the Development Company. In this latter connection a hitch came in the several limitations of territory proposed and increased during the negotiations with the Commission. Finally, on Oct. 4th, the Company declined this proposal on the ground that it would be prohibited from selling in any part of the Province of Ontario whatever, with the single exception of the City of Toronto; that it could not sell at Niagara Falls, where it was situated, or in the County thereabouts, or in any other County in the Province of Ontario; that it would have to abandon the whole of its contemplated business in Canada to the Hydro-Electric Commission, and be forced to seek a market in the United States for all its power—except the portion which might be taken by the Commission for consumers in the territory allotted to the Company; that the Government had in 1905 practically pledged itself not to enter into competition with the Company and that the policy of the Power Commission was now a competitive one to all intents and purposes; that the Company's purchased right-of-way in Brantford, and its 650 acres held near the Falls for factory purposes, would have to be abandoned; that its present business in a part of Ontario and much of its prospective Canadian business would have to be given up; that while the Company had expended $8,000,000 upon its works at Niagara and its transmission lines more money was required to complete the undertaking, and that this could not be obtained if the proposed limitations and restrictions were accepted.

Meanwhile, every kind of rumour was prevalent—intermixed with the usual political allegations—and Mr. Beck was said by the Public ownership press and by Liberal papers to be fighting a reactionary element in the Cabinet which included Mr. Whitney and was supposed to be in sympathy with the Development Company and in opposition to the municipalities acquiring the control for which the Government was nominally contending. On Mar.

20 the Premier received a large deputation, representing both the City of Toronto and the shareholders of the Toronto Electric Light Co. which desired to increase its capital by $1,000,000. The position of the City in the matter seemed to be that of wanting to expropriate or secure the existing distribution plant of the Electric Light Company and, in the meantime, of opposing any step which would strengthen that concern. Mayor Coatsworth was quite frank in his statements. "We should expropriate your plant and if we do we will be obliged to ruin your enterprise," said he. At the same time he declared the City to be willing to pay every dollar that the plant was worth rather than build a competitive one. Sir H. M. Pellatt, President of the Electric Light Company as well as of the Electrical Development Company, explained that the former concern wanted this additional money in order to extend and perfect their system. Messrs. W. D. Matthews, W. R. Brock and Fred. Nicholls all pointed out that the interests of these two Companies were united, that they had many millions of English capital invested in them and that the City was in the position of trying to destroy vested rights and the financial credit of not only the Companies concerned but of the country. Mr. E. F. B. Johnston, K.C. said that it was "appropriation not expropriation" which the City wanted. Ultimately the right to increase its capital was conceded to the Company. In reply to general charges as well as to this deputation Mr. Whitney said in his speech:

> He (Mr. Beck) is fighting with his back to the wall, and alongside of him, with his back to the wall, is every other member of this Government. That is the truth and it is well that it should be thoroughly understood. When we were being criticized with regard to what our action would be we took steps to prevent anything but a fair construction being placed upon our acts. That information has gone to Great Britain; taken there at my request by persons acting for me. I have been in communication with the leaders of finance in Great Britain and they do not believe that any vested right will be affected injuriously by any action this Government may take. Whatever temporary effect there may have been by legislation of ours is another matter. We are conscious that we will never do any act which will do an injury to any company without justification.

On Dec. 21st the Premier issued a statement to the press which took the position that the Government in this whole affair was, under the statute, "simply the go-between or conduit pipe for the purpose of enabling the municipalities to get electric power at a cheap rate; that the Government's policy had been and would be subject to the action of the municipalities; that the Government was not competing with the Companies concerned but was acting as the agent or trustee of the municipalities, through the Power Commission; and that the municipalities certainly had the right to build alone or in combination such transmission lines as they might require." In the matter of responsibility Mr. Whitney took somewhat explicit ground. "The Government is assisting the

municipalities to the extent of what is practically a guarantee by the Province for the payment of the money necessary for the enterprise. The Government, beyond this guarantee, incurs no responsibility whatever as the municipalities will be under contract to repay the outlay." As to details he stated that:

> Progress was delayed from time to time by the inability of the Government to induce the Electrical Development Co., which it desired to favour as being more strictly a Canadian company, to make an offer to supply the power to be required by the municipalities, and when at last an offer was made, it was found that the offer of the Ontario Power Co. was much less than that of the Electrical Development Co. Pursuing the course it had adopted and acted upon from the first, the Government then made strenuous efforts to induce the successful Company to confine its tender to the territory west of a line starting from a point near Hamilton and running northerly to Owen Sound. The Government succeeded in these efforts, and the Ontario Power Co. so agreed. The Government then proposed to allot the territory east of this line, and, of course, including the City of Toronto, to the Electrical Development Co. at the tender or price made by the Ontario Power Co., and in the same terms otherwise, but this offer was declined. I make no comment on the action of the Company in declining the offer. I merely state the fact to show how determined we were, in the face of difficulties which cannot be set out in this statement, to get all possible opportunities and advantages for the Electrical Development Company.

In an interview on Dec. 24 (*Mail and Empire*) Mr. Whitney stated that the conditions as to competition with the Hydro-Electric Power Commission were exactly the same for both the Ontario Power Co. and the Electrical Development Co. "After permitting the municipalities to enter the business of distributing power a great private concern could not be placed by the Government in a position to impair their market and to rival them in the field. The exception in regard to Toronto would have been granted because the Electrical Development Co. had already begun to serve consumers there." It may be added here that in one of Mr. Beck's speeches in this matter during the year he intimated that the Province would be liable should the cost of power supplied to the municipalities exceed the estimated cost of power supplied by the Commission and embodied in the by-laws. On Nov. 21st he published a statement describing this as a mistake and quoting the Government's legal adviser as saying that the Province would not be so liable. A further development in this general connection was apparent at a private conference on Nov. 7th between Hon. Adam Beck, Hon. J. S. Hendrie, W. K. McNaught, M.P.P., and the engineers and solicitors of the Power Commission and delegates from 13 cities and towns, represented in the Western Ontario Niagara Power Union, when the latter left Toronto convinced that they would eventually receive Government-owned transmission lines. Arrangements were also made as to the form of contract, etc., in respect to distribution plants in the places where final by-laws were to be submitted. In the Legislature on Apr. 16th Mr. Beck introduced an Act to provide for the transmission of electric

power to municipalities, which became law in due course. It had been drafted by the Power Commission in order to harmonize and define existing legislation and to make the fact that the Conmee Act, compelling a preliminary offer to purchase existing Electric Light plants, did not apply to municipal contracts with the Power Commission.

Meanwhile, the City of Toronto, as the chief of the municipalities concerned, came prominently on the scene. On Mar. 6th Mr. Thomas Crawford had presented the Bill respecting Toronto in the Legislature. It contained a clause permitting the City to expropriate, under valuation, the plant of the Toronto Electric Light Company. This led to a series of conferences between the City officials and counsel, the Electric Light people, and the Government. The Electric Light interests were understood to be willing to sell out but the chief nominal difficulty in the way was the contract with the Development Company and the fact that if the Electric plant was actually acquired the contract would bind the City, presumably, to obtain its power from the Development Company through the Light Company instead of through the Commission. On Apr. 9th the Private Bills Committee, including Hon. J. P. Whitney and Mr. G. P. Graham in its views, decided unanimously, after hearing large deputations and influential speakers on both sides, in favour of passing the expropriation clause in the City measure. The discussion then turned on the standards of valuation under such action—the Company claiming the earning power of the plant and the City the " physical assets " at a fair market value.

On the 12th, however, the City withdrew its expropriation clause, and, at the same time, finally asked the Power Commission to supply it with 15,000 horse-power, while intimating that it would now proceed to build its own distributing plant—at an estimated cost, according to preliminary estimates, of $2,000,000 as against $2,500,000 which might have been paid for the Electric Light Company's interests or $7,000,000 which it was alleged in some quarters that the Company's demands would really involve. The position of the City authorities in the ensuing negotiations was one of an intimation that, subject to possible arrangements with the Power Commission, they would be glad to consider tenders from the Company though they would not, apparently, consent to being bound by the contract with the Development Company; the position of the Company was that its stock of $3,000,000 at an average market price of $140, with outstanding bonds of $1,000,000, or a total of over $5,000,000, would have to be considered. It was estimated by the engineering firm, Smith, Kerry and Chace, on Nov. 13th, that a municipal Power-distributing plant would cost the City $5,200,000 for a complete service and for a limited supply of power various sums down to $1,750,000. Mr. F. Nicholls in a letter to the Toronto *News* declared these estimates

totally inadequate and gave technical and detailed figures in support of his contention. The City authorities seemed to favour the area and estimate costing from $2,000,000 to $2,500,000. Mr. E. B. Osler, M.P., at once wrote the Mayor suggesting that under such circumstances further negotiations were desirable with the Toronto Electric Light Co., while *The Globe* had already led up to this with a presentation of facts as follows on Oct. 22nd:

> The best offer made to the City by the Government's Commission is $17.75 per horse-power, and the City to be bound to take and to pay for 15,000 horse-power. The Electric Light Company, according to its Manager's statement, gets all the Niagara power it requires at a rate which works out at $8.75 per horse-power, and it pays for only what it sells to its customers. Let any common sense man look at that proposition, and say if it would be good business for the City to enter into such a competition with such a handicap. Its competitor has a twenty-five years' contract for its supply of Niagara power at less than one-half the City's wholesale purchasing price. Can the City with a civic plant compete on the terms submitted by the Government's Commission? If not, it would be a business folly to involve the city in the cost of a distribution plant. Can the City take advantage of Mr. Wright's contract at $8.75 per horse-power and get all the electric energy it requires for power and light at a rate in Toronto considerably below what the Government's Commission must pay for it at Niagara? If it can it would be business prudence for the City to open negotiations.

Following Mr. Osler's letter Sir H. M. Pellatt wrote the Mayor on Nov. 16th stating that the Electric Light Company was ready and willing to negotiate with the Board of Control so as to avoid the necessity for a duplicate power and distribution plant. On Nov. 20th it was decided by the Board of Control, after conference with Mr. Beck and a number of engineers, to submit a by-law to the rate-payers on Jan. 1st, 1908, for the raising of $2,750,000 to establish a power and light distribution plant. The area under this plan would be restricted and the limit of power handled would be 20,000 horse-power. Two days later the Toronto Electric Light Co. made the following formal and alternative offers to the City: (1) an arrangement between the Company and the City based on the general features of the agreement made some years ago between the City and the Consumers' Gas Company; (2) an agreement whereby the Company would issue $1,000,000 of capital stock at par to the City, to be paid up as may be arranged within the next few years, the City to have a representation on the Board of Directors of three in a Board of ten; (3) a sale to the City of the plant and assets of the Company, at a price based upon its present earning power.

At first the Civic authorities seemed inclined to favour action along the lines of a combination of the first two proposals and this *The Globe* and *The News* supported; then came the vigorous attacks of the Public ownership press, the Council visibly weakened, and refused even to consider the offers; on Nov. 26th, the By-law was sent to the people. Of the Municipal contest which followed it is

unnecessary to say much. Politics were brought into the affair though not openly. Defeat of the By-law and the withdrawal of Toronto from the general Provincial scheme of electric power development would have meant a serious blow to the Government's policy and the Conservative press and public sympathies were naturally with the proposal; so were the people who wanted cheap power though they had no idea how it was to be obtained or what were the limits of application, who were really paying for it, or how large the distribution of the power would actually be; so, of course, were the *World* and *Telegram* and all the other strong believers in Public ownership to whom the "Electric Ring" and "grasping capitalists" were anathema. Against it was the Toronto *News* which put up an able campaign along lines of alleged robbery of private investors by the strong arm of a Government; preference to a United States concern like the Ontario Power Co. over the Electrical Development Co. with its British and Canadian investments of $10,000,000; attempts by the City to obtain the passage of a By-law as a club to destroy the property of the Electric Light Co. if it did not accept the terms offered—of which the first would be a repudiation of the Electrical Development contract.

Incidents of the Toronto campaign were the decision of the Retail Merchants Association and the majority of the Canadian Manufacturers Association to support the By-law; the clever letters of Mr. Arnold Haultain against it and the principle of public ownership in general; the arguments of Mr. W. D. Beardmore (Dec. 21st) and the letter of Senator Jaffray, President of *The Globe* (Dec. 16), denying that he had a cent of personal investment in the Electrical Development Co. and stating that his interest in the Electric Light Company was very small; Dr. Beattie Nesbitt's candidature for the Mayoralty upon an almost fierce platform of cheap power and public ownership; the strong advocacy of Mr. A. W. Wright along the same lines and his letter in the Toronto *News* of Dec. 27; the debate at the Canadian Club on Dec. 27 between Mr. P. W. Ellis for the Power Commission policy and the By-law and Mr. W. T. White against expropriation, unfair purchase of the Company's plant, and destruction of private financial interests; Mr. Adam Beck's address on Dec. 29th, at a big public ownership meeting, when he announced another transmission line necessary and the Government's intention to build it and protested against Corporation influence while appealing for support to his policy of "cheap power"; the statement that a special Commission in Syracuse, N.Y., had reported emphatically against a local duplication of plants.

Into this general situation was interjected on Dec. 30 a newspaper statement from Mr. Whitney. In it the Premier protested against the efforts of electrical and financial interests to defeat the By-laws in Toronto and elsewhere, and proceeded as follows: "The

combination has, during the last ten days, flooded the Province of Ontario with thousands of circulars filled with silly falsehoods directed against the Government and its policy on the Power question. In no one of these circulars that I have seen is the Toronto situation referred to. The combination includes gentlemen of position in financial institutions here, as well as the foreign worthies I have indicated. There is no disguising the issue and we accept it. It may be that shareholders will have something to say as to Directors going outside of their proper duties. In any event the Government appreciates the situation." Two days later the Toronto By-law was carried by 15,048 votes to 4,551. In other parts of the Province a vigorous campaign had been proceeding; Mr. Beck spoke at various points including Hamilton, Toronto Junction, London, Guelph, Ingersoll and Waterloo; and in most cases the local By-laws also passed.

Meanwhile, what of the Liberal party or its policy? The Toronto *Globe* was for some time the principal mouth-piece in this respect. On Dec. 13, 1906, it had declared in favour of "freeing Toronto from the unjust bargain" the two Companies were alleged to be imposing upon the people, and on Jan. 4, 1907, it was stated "to be in every way necessary to strengthen the hands of Mr. Beck and all who are with him in the fight for cheap power." Then the situation developed and changed and became complicated with all kinds of conditions—financial, political and municipal—and on Oct. 21st the Liberal organ defined its views at length with the following as its first point: "In serving all these communities not now receiving electric power from Niagara the transmission line should be constructed and operated by the Provincial Government through its Hydro-Electric Commission. Brantford, Paris, Galt, Guelph, Woodstock, Ingersoll, London, St. Thomas, and all other towns and villages contracting to receive power from Niagara, should be served by a Government trunk-line and not by a private corporation, whether the Electrical Development Company, the Ontario Power Company, or any other."

In Toronto the situation was, however, different, as the great power-using services were already supplied under contract. In view of this fact and of the competitive power of the Electrical Development Co. "the entire electric power situation in Toronto should be under public control, the transmission line should be owned by the Provincial Government, the distribution plant should be owned by the City, and the waste of capital, both public and private, inevitable under competition, should be avoided." This policy would mean expropriation of existing franchises. Failing in this large aim arrangements should be made along the lines of partial Civic control as in the case of the Consumers Gas Company. Only if all other possibilities were exhausted should the City build a competitive plant. And, especially, should care be taken to examine the statements as to the rates at which the

Toronto Electric Light Co. could obtain power—$8.75 per horse-power at the tap in Toronto. On Nov. 13th this journal reiterated its policy as regulation or expropriation in preference to competition. In various speeches during the autumn Mr. A. G. MacKay, the new Leader, referred to this question. The gist of his policy was that further information should be obtained as to cost, that the value and price of Producer gas should be investigated, and that only the municipalities concerned should be responsible and should pay for the power used.

On Mar. 7th it was announced that Mr. C. B. Smith, C.E., had retired from the Hydro-Electric Power Commission and that Mr. W. K. McNaught, M.P.P., had been appointed in his place. On Mar. 15th the Commission submitted its 4th Report—dealing with the Ottawa Valley and St. Lawrence region. The document was very technical in terms but it described the St. Lawrence as possessing enormous potential water-powers and the Ottawa River and tributaries as a "magnificent source" of electric energy. Several schemes of development and of transmission routes were suggested and as to Producer gas it was stated that in ten-hour power it held its own with electrical generation but in 24-hour power it failed to compete. The 5th Report, submitted at the same date, dealt with the Algoma, Thunder Bay and Rainy River Districts and described the plentiful supply of electrical power at cheap rates as of special and very great value in the establishment of industries at Fort William and Port Arthur. On July 18th it was announced that grave difficulties between the Ottawa and Hull Power Company and the Ottawa Municipal electric plant interests had been settled by Mr. Beck's intervention.

Temperance and Liquor License Questions in Ontario

The year opened with Local Option contests in 101 municipalities, 44 of which carried By-laws prohibiting the local sale of liquor and cutting off some 80 licenses, and 57 of which declined to accept this policy. In some contests for the repeal of existing By-laws the Prohibitionists won and it was claimed that in 41 places the clause in the 1906 Act of the Legislature which enforced a three-fifths majority in order to bring Local Option into effect was the cause of defeat and, as the Temperance advocates put it, the saving of 130 bar-rooms. As it was the majorities for local prohibition totalled 10,309 and the majorities against, 441. By May 1st, when the newly passed By-laws came into operation, seven had been quashed through appeal to the Courts, but wherever this occurred on a technicality the Provincial Government issued instructions not to issue licenses. In this connection, after 23 years' active service as a leader in the work and as Secretary of the Ontario branch of the Dominion Alliance, Mr. F. S. Spence resigned the latter post early in January. He retained, however, his editorship of *The Pioneer* and his interest in the movement. He was succeeded by his brother, Mr. B. H. Spence.

Meanwhile, and throughout the year, the militant Temperance element in the Province was up in arms against Mr. Whitney and his Government because of the restriction of the Local Option votes to a three-fifths majority instead of a bare majority. The Conservative policy had always been one of high license stringently and honestly enforced; where the people clearly desired prohibition, however, they could have it though by a vote which would give some indication of permanent sentiment and some security of tenure to a recognized business. Such had been and such was the Government attitude. Prohibitionist opinion was strongly against this policy. On Feb. 6th the Rev. Richard Hobbs said that "if the three-fifths clause stands, Premier Whitney must go." He and other Temperance speakers—most of whom were Liberals in politics—claimed that they had effected a change of Government in 1905 and that they would do it again. The Rev. D. C. Hossack, in the press of Feb. 15th, wrote an open letter to Mr. Whitney which marked his return to old party affiliations. The Clause in question he likened to a club in the hands of the Liquor interests. He denounced it as class legislation, as a great hindrance to the Temperance and moral reform movement, as a proof that the people were not trusted. To this attack Mr. A. W. Wright replied on the 19th in defence of the popularity and policy of Mr. Whitney and with the following line of thought underlying his defence: "You can hardly fail to know that there are hundreds, thousands, of men who have no connection with or interests in the liquor traffic, near or remote, direct or indirect, who are conscientiously opposed to prohibitory liquor laws of any kind. Neither can you be unaware that among these are men as honest and as intelligent as any Temperance men, so-called, and quite as desirous of promoting true temperance."

To a Royal Templars' banquet, at Toronto on Feb. 18, Mr. Whitney declared himself a firm believer in Temperance and a co-worker with themselves; pointed out that they had recently carried over 40 By-laws as against 101 in the previous 16 years; referred to the misrepresentation he had to face and stated that he believed practically all the rural districts of the Province would have Local Option within a few years; informed them that under the present municipal law a municipality through its Council could pass a Resolution, and then a popular By-law by majority vote, to raise the license fee to $1,000 if it liked. On Sunday, the 17th, in Toronto, the Rev. Dr. Potts described the three-fifths clause as an outrage and Rev. R. J. Follis spoke of it as "iniquitous and un-British"; while the Rev. Dr. Baker declared that never had the License Act been enforced as it was now being enforced—and for that the Temperance people owed Mr. Whitney's Government a debt of gratitude. On the 22nd a large delegation from the Dominion Alliance—of which the Ontario Branch had met on the preceding day and passed strong Resolutions while making strong speeches—

waited upon the Premier and the Hon. Mr. Hanna and asked for a repeal of this Clause. Messrs. G. F. Marter and Joseph Gibson and Rev. Dr. S. D. Chown were the chief spokesmen. Mr. Whitney in his reply was emphatic on certain points:

> There seems to be a misapprehension. Nobody pretended that the three-fifths requirement was necessary to the enforcement of the law. What we contended was that the three-fifths vote was necessary to the permanency of public sentiment; that it showed the overwhelming sentiment of the community, and that for a repeal they would have a very heavy task before them to get a three-fifths vote.
>
> There has got to be Christian charity in this matter. I am convinced as I am standing here that the cause you desire has been kept back for years by that very spirit of intolerance and uncharitableness which was expressed yesterday. I believe that if there was one general accord amongst the people of this Province with reference to the attaining of this grand object the rural districts of this Province would soon be under Local Option. The duty of the Government will be to watch how this law works itself out, and if the Government is convinced that an increased majority is necessary more than a three-fifths requirement will be enacted. But if they find that less will do they will have to consider that.

On May 24th it was announced that a clean sweep would be made by the Ontario Government of all the liquor licenses between Kenora and Fort William, owing to the coming construction of the Grand Trunk Pacific, and this decision was much appreciated by Temperance men. Meanwhile the Presbyterian Synod of Toronto and Kingston had passed a Resolution asking the repeal of the three-fifths clause; on June 4th the London Methodist Conference expressed itself in favour of the total prohibition of the liquor traffic and the repeal of the three-fifths clause and commended the Provincial Government for its enforcement of the law in Local Option districts and for refusing licenses at Cobalt and other Northern points; on June 18th the Toronto Methodist Conference expressed the strongest objection to the three-fifths clause, but a remark of Rev. T. M. Campbell as to Mr. Hanna's straightforward administration of the License laws was generally approved. The year closed in this connection with a controversy over the declaration of Mr. Mayor Kennedy of Owen Sound that Local Option had been a failure in that town—where 61 liquor places were said to be still in operation; and a new Local Option fight in many municipalities with a large proportion ultimately favourable. Out of 53 places open to repeal, also, no attempt at change was made except in seven and of these on Jan. 1st, 1908, six sustained the Temperance policy. It may be added that the number of licenses issued in Ontario during the license year 1904-5 was 2,836; in 1905-6, 2,691; in 1906-7, 2,518.

On Feb. 18th, in the Legislature, an amendment to the License Act was introduced by Mr. G. P. Graham, Opposition Leader, which proposed the repeal of the three-fifths clause, the substitution of a simple majority, and certain restrictions upon the business powers of License Commissioners. A flood of petitions were presented during the Session in favour of the abrogation of this clause

while, on Feb. 20th, Mr. J. J. Preston (Cons.) proposed a measure (which was afterwards withdrawn) empowering Local Option municipalities to give bonuses or annual grants for the purpose of maintaining good hotels. The vote on the 2nd reading of Mr. Graham's Bill took place on Apr. 18 and a Government amendment was carried by 50 to 21 expressing confidence in the Liquor License Act, as then constituted, to minimize the drink evil and in the Government to make such changes as might be necessary to that end from time to time. On the same day Mr. A. G. MacKay moved an Opposition Resolution—which was lost by 53 to 20—declaring that "this House is of opinion that the administration of all Liquor License laws should, as far as possible, be removed from the realm of party politics. This House, therefore, regrets the introduction by the present Government of what is commonly known as the Spoils system in connection with the administration and enforcement of such laws, contrary to the repeatedly expressed and oft-recorded opinions of its members while in Opposition."

In his speech Mr. MacKay pressed the contention that it was desirable to remove the whole liquor license system from politics, that the Conservatives had promised to do this while in Opposition, but had failed to carry out their pledge in office. The ensuing debate brought out a good deal of attack and counter attack but no proof of actual partisan administration of license affairs by the Government. Mr. Whitney again declared that he and his ministers were "irrevocably opposed to the Spoils system." Dr. Pyne and Hon. Mr. Hanna spoke in defence of the Administration, and an amendment was passed by 53 to 20 endorsing the Government's policy and declaring that the enforcement and practice of these laws should, as far as possible, be divorced from party politics. The Hon. W. J. Hanna, Provincial Secretary, introduced various amendments to the Liquor License Act in the Legislature on Apr. 9th and the 2nd and 3rd readings of his Bill were carried on the 16th. It did not touch the three-fifths clause, or separate hotels from bar-rooms, as the extreme advocates of Temperance urged, but it improved the conditions as to filing petitions for Local Option votes; it strengthened the provisions regarding the sale of liquor to minors; it added further restrictions to liquor-selling in clubs and prohibited the granting of a license to any club or society working under Dominion charter without the consent of the Provincial Secretary.

An incident much discussed in the first months of the year was the Government investigation into the Liquor license situation in Toronto. Rumours had been current for some time as to improper influences having been used or attempted in the obtaining or retaining of licenses and, on Feb. 11th, Dr. R. J. Wilson, Chairman of the Board of Commissioners, issued a notice that any such attempt in any quarter would result in the license concerned being refused and, on the following day, the Hon. Mr. Hanna announced that at the request of the Board these rumours and statements would be

officially investigated. Mr. J. R. L. Starr, barrister, was appointed a Commissioner for this purpose with instructions to inquire (1) into any alleged irregularities or improprieties in the issuing or transferring of liquor licenses in the City of Toronto; (2) into any violation or evasion of the license law as to tied houses; (3) into the administration generally of the License Law in Toronto and the enforcement or otherwise of its provisions. Mr. Starr at once appointed F. E. Hodgins, K.C., as his Counsel and issued a number of summonses.

Details of the ensuing investigation included the charges against Mr. D. M. Defoe, Insurance agent and License Commissioner, of using his position to extend his business; the statement that Dr. R. J. Wilson had received by mail a cheque for $1,000 from John F. Hynes (in connection with a projected hotel license) which, however, he had handed his lawyer for investigation; the claim of Hynes that this cheque was sent by suggestion of Dr. Beattie Nesbitt, Registrar of Toronto (West), and James Cosgrave, the brewer; the interest of Dr. Beattie Nesbitt in sundry hotel deals which he claimed to have been of a perfectly legitimate character; the evidence as to enormous profits made in hotel transfers and license extensions; the fact that all records, files, documents, etc., in connection with the administration of License affairs during previous years had disappeared; the evidence of Mr. W. K. McNaught reflecting severely upon the existing system under which the brewers were said to practically control many of the licenses and hotels; the figures as to Brewery mortgages upon hotel properties which showed seven Brewing companies with 138 loans upon 146 hotels and totalling $597,000; the personal suggestion by Hon. Dr. Pyne, Minister of Education, to one of the Commissioners as to a certain license—made, as the evidence showed, in ignorance of the bad character of the man recommended; the fact of Mr. S. W. Burns, a Conservative lawyer, acting before the Board for a great number of license applicants; the evidence of Messrs. J. A. Murray, J. I. Davidson and J. W. Flavelle, who had resigned from the Board of Commissioners under sensational circumstances in a preceding year; the statements as to Liberal levies upon the license-holders for campaign funds in the days of Liberal rule and descriptions of the evil condition of certain down-town hotels when the change of political administration took place. Mr. Starr's Report was made public on Sept. 19th and contained two divisions—one dealing with recommendations for a Provincial License system and the other with the condition of affairs in Toronto where, by the way, the average value of a license in 1906 was $18,483 and the number of applications for transfers 67. The Report may be summed up as follows:

I. *Provincial Suggestions.*—That the issue of licenses should be in the hands of a salaried Board of License Commissioners who should have

supervision of the liquor traffic throughout the Province, employ all officials and issue all licenses.

That for the carrying out of this scheme the Province should be divided into license districts, each presided over by a Chief Inspector, with a special staff under him.

That to end the "tied-house" system brewers should be compelled to realize on their present loans within a prescribed time and that penalties be imposed upon both borrower and lender in future.

That in the event of a license being transferred, four-fifths of the price should belong to the Province and one-fifth to the licensee.

That the license fees should be fixed on a sliding scale based on values fixed by the Assessment Commissioner.

II. *Toronto Findings.*—That under the previous *régime* and with the apparent knowledge of Mr. T. A. Hastings, Chief License Inspector, hotels unfit for human habitation were permitted to exist.

That attempts had been made to control the present Board of Commissioners by insurance turned over to Mr. Defoe and by political means or influence.

That the Hynes transfer negotiations involved a straight attempt at the purchase of Dr. Beattie Nesbitt's political influence.

That Inspector Purvis was guilty of indiscretion in being so much in the company of Mr. S. W. Burns, Solicitor for many license-holders.

That Hon. Dr. Pyne was guiltless of improper influence in the case of the Courtney license.

Educational Policy of the Ontario Government

At the beginning of the Session it was understood that some changes would be made in the School legislation of 1906 under which the lowest salary for a teacher in rural schools was fixed at $300—coming in part from local taxes and partly from public grants. There can be no doubt that this minimum requirement was unpopular with some of the country Trustees and with a part, at least, of the farming community, and considerable pressure seems to have been brought to bear upon politicians and the Government for its repeal. Conditions had, however, made an increase in salaries imperative. Increased openings for young men and women, larger salaries in other occupations and the magnet of the city life, the dignity of the profession and status of the teacher, the increasing demand for efficient education, all combined to indicate the minimum as really too small rather than too large. On Jan. 25th it appeared clear that the Government had no intention of receding from this minimum but that it proposed to meet the situation with larger grants. Mr. Whitney announced in the Legislature on that date that the grant to rural schools would be increased to a total of $380,000, or $262,000 more than it had been under the Ross Administration. His summary was as follows:

Firstly, we have found that there is not a sufficient number of properly qualified teachers to meet the demand under the present law, and that this condition of affairs is likely to continue to a greater or less extent until the new Normal Schools are established and begin their work. Secondly, it has become evident that considerable difficulty will arise in working out the provisions of the law as to increased salaries dependent upon assessments which vary very much. For these reasons we think it best to make certain changes in the laws as follows: (*a*) The

minimum grant of $300 per annum by the Township to each school section for salary will be retained; (*b*) an unconditional grant of $15 per annum will be made to each Section; (*c*) a grant will be made for the purpose of equipment and accommodation; and (*d*) a grant of 40 per cent. will be made on the excess of all salaries above $300 and up to $600.

This will work out as follows:—Appropriation for equipment and accommodation, $60,000; appropriation of $15 to each Section, $80,000; appropriation of 40 per cent. on salaries over $300, $240,000; a total in all of $380,000. The last annual grant to Rural Schools by the late Government was $118,000 and we increased this last year by $60,000.

In reply to the Opposition statement that this legislation was a backdown Mr. Whitney said on Jan. 29th that: "The Government is not retreating but rather going ahead. During seven or eight years while he had travelled through the Province showing the people why, in common decency, the late Government should be put out of power, no question had received such close attention from the three or four hundred audiences he had addressed as the question of Education. It was the first question the Government had taken up and it would never be laid down. There was no finality in such legislation and the Government would continue to seek the proper course and to follow it." Objections still remained, however, in certain rural sections—influenced to some extent perhaps by political conditions—and in February the Dominion Grange declared that this law "smacked too much of coercion and arbitrary dealings" and that very often the equipment required by law in the schools was of no service to rural communities. A deputation of rural School Trustees waited upon the Minister of Education (Dr. Pyne) on Mar. 27th and objected, through various speakers, to the power given Inspectors in relation to sites and equipment; to the compulsory minimum salary clause; to military training in schools; and to sharing in the cost of Normal School training for teachers. In his reply the Hon. Dr. Pyne stated that the condition of the Educational system was a large question which could not all be taken up at once. The Government had started at the weakest point, and had done so much for rural schools that urban schools were now asking that something be done for them. The question raised as to maintaining pupils at Normal schools was worth considering and he would bring it before his colleagues. In regard to "militarism" he did not believe in everybody being made a soldier but he saw the advantages of physical and disciplinary training. As to the powers of inspectors, under former arrangements they had often been put in a humiliating position which the Government had now remedied.

Another measure which became law—presented to the House by Dr. Pyne on Mar. 26th—defined the qualifications of teachers belonging to religious and educational communities of the Roman Catholic Church. Under this enactment, which a recent decision of the Privy Council had made necessary, the Department of Education might grant permanent professional certificates to the teachers of these communities who (prior to July 1st, 1907) had

not less than seven years' experience in teaching, of which five had been spent within the Province, and whose qualifications were attested by the Provincial Inspector; or who had, prior to Dec. 31st, 1908, completed one summer session of training as provided by the Department. Second and Third-class certificates might be granted under other conditions also defined. In the estimates discussed by the House on Apr. 10th there appeared a preliminary vote of $5,000 for Union Jacks which the Government, later on, presented to the schools of the Province. It was stated by Dr. Pyne that they would be raised at the teachers' discretion and the Premier remarked that he wanted the flag draped on the walls inside of school-houses. It was even better there than on a flagstaff and it was the duty of Governments and Trustees and teachers to make the flag familiar to the rising generation. Mr. G. P. Graham suggested pictures, also, of the King and Queen. Official figures published at the close of the year showed the expenditure upon the rural schools of the older counties of Ontario as being $358,175 in comparison with $123,750 in -1904.

The University of Toronto, also, received legislative attention during the year. On Mar. 7th Mr. Premier Whitney presented a measure authorizing the Board of Governors of the University to borrow up to a limit of $2,000,000; all loans to be approved by the Governor-in-Council before becoming effective. At the 2nd reading the Prime Minister enumerated a number of items for which the University Board would shortly need money. These included funds for the erection of a High and Common School building for the work of the Faculty of Education, with additions to the School of Science, the museum, library, biological and chemical buildings, and to the Convocation Hall. For the Department of Physics $150,000 would soon be needed and it was proposed to erect an Administration building which would accommodate the Department of Forestry and Botany and the astronomical Observatory. Mr. Whitney added that the revenue of the Provincial University would be increasing and could be used to wipe out debts incurred for these purposes. The opportunity was at once utilized by Mr. G. P. Graham to reiterate his objections to the Government method adopted for assuring a revenue to the University. He did not think that grants to the Provincial seat of learning should be dependant on any specific form of revenue such as that from Succession duties, but should come from the general funds of the Province with the expenditures subject to Legislative scrutiny and approval.

On the 3rd reading a division was taken by the Opposition on this matter of Legislative supervision of University expenditures. Mr. A. G. MacKay forced the fighting and was endorsed by his Leader and by Mr. Duncan C. Ross. The latter argued against what he called the "star-chamber" methods of conducting University affairs. He wanted every farmer in every township in

Ontario to take as personal an interest in the people's university as he did in the "little red school-house." Only by such interest could the University attain the position of prominence and popularity its friends hoped for it. He did not complain of the amount of money voted, nor did he impugn anything improper to the Governors, whom he respected, but if the people were led to believe that they were handling funds behind closed doors the result to the University would be serious. In reply the Hon. Mr. Whitney charged Mr. MacKay and the Opposition with endeavouring to spread abroad an atmosphere of suspicion regarding the conduct of University affairs. He declared that under the former Government the University had been threatened with ruin by reason of political interference in its affairs. The special Commission his Government had appointed to inquire into conditions was composed of men of both parties—as was the Board of Governors—and all had found in favour of the present plan. Mr. MacKay's amendment was to the effect that any moneys borrowed under the new loan arrangement should not only be approved by the Government but the resulting expenditures should be sanctioned by the House. It was lost by 46 to 18—Mr. Allan Studholme (Labour) voting with the Government on this occasion.

Another question of the year was that of cheaper text-books in the schools. On Jan. 15th a deputation of 25 representatives of the book-selling trade of the Province waited upon the Minister of Education to protest against the suggested policy of the Government as to an official distribution of text-books. It was claimed that the distribution through ordinary channels of trade had been satisfactory to the public; that if the Government took over the work it would need an elaborate machinery of supply; that much difficulty would be found in dealing with School Boards; that the profits now accruing from the sale of text-books enabled many dealers to keep up their general book-stores which, in every county, radiated culture and refinement. The Hon. Dr. Pyne replied that the matter was still largely in the hands of the Text-Book Commission appointed on June 30, 1906. He could only say at the moment that: "Something must be done to provide cheaper text-books for the people of the Province. It is the duty of the Administration to facilitate in every possible way the more favourable education of the masses. Personally, I am in favour of free text-books, but whether the Government is prepared to go to such a length I am unable to say as yet." In the Legislature on Jan. 29 Mr. Graham intimated that he believed in free text-books and the Premier inquired in reply whether he would be surprised "if I tell him that school books will be furnished to the children of this Province so cheaply that there will scarcely be any difference from free books?"

Meanwhile the Text-Book Commission, composed of T. W. Crothers, K.C., of St. Thomas, and John A. Cooper, of Toronto,

had been pursuing its work of investigation with A. C. Casselman as Secretary and G. Lynch Staunton, K.C., of Hamilton, as Counsel. The Commissioners had heard evidence from teachers, Inspectors, educationalists in general, experts in the various departments of book-making and publishing; they had examined official correspondence and records and visited the larger publishing establishments where prices and methods were fully investigated. As in the case of other Canadian Commissions—past and present and in various lines—they did not visit Great Britain in search of information. The Report was dated Jan. 31st, 1907, and made public on Feb. 2nd. Three methods of publishing a text-book were considered: (1) Engaging an author and publisher and fixing a price at which the book must be sold to the public; (2) having text-books prepared under the authority of a Department which made its own plates, owned all rights, and printed by tender; (3) throwing both writing and printing open to competition. The last method was stated to be the best. After a lengthy analysis of preceding conditions, contracts and methods in the publication of Ontario school-books the Report recommended that in preparing a "satisfactory and modern" set of Readers the Department should hold the copyright and plates of all selections and the printing be given out by tender, under proper specifications, and to one firm; described the existing and authorized readers, geographies, histories and grammars, with three exceptions, as very poor in workmanship and appearance; declared in favour of a gradual system of free text-books and free schools.

It was stated that the text-books of to-day in Ontario were markedly inferior to those in use in the United States or Great Britain. Evidence was quoted to show that from 1885 to 1896 the monopoly in the publication of Readers was given to three firms without tender, and as a result they were sold to the public for more than double their cost. In copyrights there was also a monopoly. "While the contract," said the Report, "seems to have contemplated that other publishers might come in and share the publication of the Readers, it was found that the three publishers (Gage & Company, Copp, Clark & Company, and the Canada Publishing Company) were practically masters of the situation. For twenty-two years the public school Readers have been so published that during that time the public school children of Ontario have been required to use inferior Readers, and to pay about $200,000, therefor, more than what under the circumstances was a fair price. We arrive at this result after allowing the publishers 25 per cent. for selling and distributing." In the evidence given by Mr. H. M. Grantham and others a careful analysis of cost and selling prices in some 40 books showed a book costing eight, nine, or ten cents as retailing at 25 cents; a book costing from ten to twenty cents selling at 50 cents; a book costing 25 cents as retailing at 75 cents. High school books ranged even higher proportionately and up to $1.00.

On May 24th it was announced that the Canada Publishing Co., Ltd., had received acceptance of its tender for the publication of Ontario Readers—the prices for a set of five books being 49 cents as compared with $1.15 for the old issues. An allowance of 25 per cent. was also to be taken off books purchased direct from the Company and an extra 10 per cent. would be allowed on orders of a specified size. The reductions were to come into force on June 30, 1907. On Oct. 15th it was stated, officially, that the Minister of Education had decided to prepare for issue a new set of Readers and had appointed D. J. Goggin, M,A., D.C.L., at one time Superintendent of Education in the North-West Territories, to supervise the undertaking with a special committee of teachers to assist him by their advice and experience. Meantime, on May 7th the Provincial Treasurer had been surprised to receive a letter from Mr. T. W. Crothers, one of the Text-Book Commissioners, returning a cheque for $2,000 which had been sent as remuneration for his services and stating that he desired no financial gain in the matter but would accept $192 as being the amount of his actual disbursements.

Government and Politics in Quebec during 1907

The year was a somewhat stormy and personal one in Quebec political affairs and included the charges against Messrs. Turgeon and Prevost, members of the Gouin Government; the meteoric flight of Mr. Bourassa into Provincial politics and its temporary collapse; the continued educational campaign of Hon. W. A. Weir; the revival of activity in the almost dormant Conservative party of the Province. On Mar. 26th the Prime Minister (Hon. Lomer Gouin) left Montreal on a trip to Europe accompanied by Messrs. J. Decarie, M.P.P., H. Lanctot, and his Secretary. Mr. Adelard Turgeon, C.M.G., Minister of Lands and Forests, was acting-Premier until Mr. Gouin's return at the end of May. On Jan. 24th Mr. C. Ernest Gault carried the St. Antoine Division of Montreal as a Conservative, with independent leanings, and by a majority of 900 votes over Mr. Percy C. Ryan, the Liberal candidate. The late member (C. B. Carter) had been elected as a Liberal in 1904 by 905 majority. To a Conservative meeting on Jan. 19th Mr. Gault had defined his position as follows: "I am still a Conservative, as my fathers were. But should I be elected to represent St. Antoine division at Quebec, I shall have to recognize the present condition of the Conservative party in this Province, and if the Gouin Government bring forward any measures that I, as a Conservative, can conscientiously support I shall support them."

There were several changes in the Government during the year and of some the causes must be considered elsewhere. The Hon. J. B. B. Prevost, Minister of Colonization, Mines and Fisheries, resigned on Sept. 30th. On Oct. 9th Hon. Auguste Tessier, Provincial Treasurer, retired upon appointment to the Quebec

Superior Court and, on the 17th, several further changes in the Gouin Government were announced. The Hon. W. A. Weir, who had been a successful Speaker of the Assembly and, latterly as Minister of Public Works and Labour, had made better educational facilities the object of special attention and work, became Provincial Treasurer; Mr. Louis Alexandre Taschereau, K.C., M.P.P. for Montmorency, a prominent lawyer and politician of Quebec City, and a member of the firm of Fitzpatrick, Parent & Taschereau, succeeded Mr. Weir; Mr. Charles R. Devlin, formerly M.P. for Galway in the British Commons, latterly M.P. for Nicolet at Ottawa, and a supposed heir to Hon. R. W. Scott's Federal portfolio, became Minister of Mines and Fisheries. At the same time as these changes were made Hon. Mr. Turgeon resigned his seat in the Assembly for Bellechasse and went into a spectacular fight with Mr. H. Bourassa in which the Minister came out successfully with a large majority. His election day (Nov. 4) was also that of the other Ministers. In Nicolet Mr. Devlin had a majority of 234 over Mr. Albert Sevigny and in Montmorency Mr. Taschereau was re-elected by 846 majority over J. B. Bernier, Conservative. Another bye-election was fought in Rimouski, vacated by Judge Tessier, where Mr. P. E. D'Anjou, Mayor of Bic and Warden of the County, defeated, as an independent-Liberal, the candidate of the Liberal Convention (R. Fiset) by 259 majority. Chateauguay County, vacated by the appointment on Mar. 26 of Mr. F. X. Dupuis, M.P.P., as Recorder of Montreal, was contested in December by Joseph Poissant of Montreal, as an independent-Liberal, by Ald. Honoré Mercier of Montreal as the candidate of the Gouin Government, and by J. M. Laberge as the local nominee of a mixed group of Liberals, Conservatives and general Oppositionists with the active support of Henri Bourassa. The Premier, Hon. Mr. Weir, and others spoke in the constituency and on Dec. 16 Mr. Mercier was returned by a majority of 232. In 1904 Mr. Dupuis had been elected by acclamation. It may be added here that on Jan. 4th Mr. Charles E. Dubord of Beauport was appointed to the Legislative Council in place of the late Hon. V. W. Larue and that, on Jan. 15th, Mr. P. H. Roy was elected Speaker of the Legislative Assembly in succession to Hon. Mr. Weir.

The awakening of politics in Quebec during the year was general and the bare record of these changes in the Government and of bye-elections only faintly indicates the condition. Rumours of a general election, Conservative hopes raised by the Asselin scandals and the Bourassa intervention, stirred the whole political pot to boiling point. On his return from abroad Mr. Premier Gouin was able to tell the *Herald* of June 1st that he had seen Mr. Winston Churchill and other British leaders in London; that the pending Subsidies Act giving Quebec $600,000 a year more would shortly be approved by the Imperial Parliament; that he had made a special and personal study of commercial and techni-

Mr. Robert Millar Coulter, M.D.
Created a C.M.G. by His Majesty the King in 1907.

Mr. Alfred D. De Celles, F.R.S.C., LL.D.
Created a C.M.G. by His Majesty the King in 1907.

cal schools. "As you know it has been decided to create one Technical school and one High Commercial School in Montreal. It is my intention to give this Province the best grade of schools now existing." On July 5th the sometimes independent *Witness* of Montreal reviewed political conditions briefly, described one of the Government's departments as needing re-organization, referred to the current campaign against the Government and added: "Upon Mr. Gouin's personal shield there is absolutely no stain; he is reliable, forceful and progressive, and there is no one of equal calibre to guide our political destinies. He deserves renewed confidence for his splendid education policy alone and there is every sign that he will obtain it."

On Aug. 3rd the Prime Minister addressed a Liberal gathering at Chateauguay in which he reviewed at length the decline of the Conservative party; the past bungling of financial affairs and the present improved conditions; the buoyant revenue prospects and estimated surplus for 1906-7 of $500,000; the record of sales in Forest lands under which, from 1867 to 1906, the Conservatives were stated to have sold 37,788 square miles for a total price of $801,264 or an average of $21 per mile and the Liberals to have sold 26,315 square miles at $2,660,307 or an average of $101 per mile; the claim that the Government of Ontario did not do better in this respect than his Government—"It sells better forests; that is the difference. In the sister Province pine, especially, is cut and sold, whilst in Quebec we have scarcely any more of it to sell, the Conservatives having parted with it at a price of $4, $7, $8 and $9 a square mile, when they did not sell it for nothing." He pointed out that instead of increasing sinecures and salaries, as the Conservatives charged, the total increase in the cost of civil government between 1896 and 1906 had been only $34,581; and described the Government's work along educational lines at length.

After reviewing his successful fight for the increased Federal Subsidy Mr. Gouin referred briefly, but without detail, to the current "campaign of calumny" against his Ministers and was followed by Hon. W. A. Weir and other speakers. On July 31st *La Patrie,* which had been criticizing the Government severely in connection with the scandals of the moment, published a statement indirectly connecting Mr. Gouin with the Abitibi allegations and for this the Premier at once instituted a legal action. On Aug. 7th the paper in question retracted its charges so far as the matter at issue was concerned and observed that: "As Mr. Gouin is a perfectly honourable man, we do not hesitate to say again that this publication is regrettable." Another mass-meeting took place at St. Eustache on Aug. 11th and a lengthy and eloquent address was delivered by the Premier while Hon. Mr. Turgeon struck hard blows in defence of his political character and actions against the current charge of the Baron de L'Epine that he had tried to

get campaign fund contributions out of a sale of public lands. The Hon. Mr. Prevost also defended himself against certain charges of mal-administration. The Premier reviewed and analyzed the financial situation and reiterated his recent claims as to the historic policy of the two parties in that respect; spoke of the Government's educational policy, its efforts to improve Provincial roads and encourage agriculture; and dealt elaborately with the charges against Mr. Turgeon.

At Longueuil, on Sept. 22nd, Messrs. Gouin and Turgeon addressed an immense open-air demonstration of some 12,000 people and devoted themselves vigorously to the Asselin-L'Epine affair and the campaign which Mr. Bourassa had inaugurated. The Premier's speech was an appeal for unity in the Province and for dignity in political strife, a slashing attack upon the Bourassa movement and those who "make insult their favourite weapon and who take pleasure in stirring up hatred and scorn in order to ruin their adversaries." He concluded with a new item of policy: "We have restored our finances and we are now going to extend our national domain. As you know, there is to the north of our Province an immense country which, from a geographical point of view, forms part of it and should be annexed. I mean the great District of Ungava. This territory is completely isolated from the other Provinces, from which it is separated by great inland seas. It offers to those Provinces no direct advantage or interest, and there can, in consequence, be no objection that this territory be annexed to the Province of Quebec. There can be no doubt that because of its geographical situation this territory would be of great value in becoming a portion of the Province of Quebec, because our Government is in a better position than the Government at Ottawa to administer and develop its natural resources. This annexation, whilst making our Province the most extensive of the Confederation, will undoubtedly be advantageous to the whole country." Dealing in a letter (Montreal *Herald,* Oct. 23) with the charges against Mr. Turgeon in the famous Asselin libel suit, Mr. W. D. Lighthall, K.C., gave a summary of what Mr. Premier Gouin had, in his opinion, done for the Province since attaining power in 1905:

1st. His entry to the Premiership broke the absolute dictatorship of the iniquitous Montreal Light, Heat and Power monopoly. Since his Administration every electric company statute granted has been subjected to municipal control of the streets, which is the key to popular freedom.

2nd. He saved the Province from a very bad financial situation by his achievement in obtaining the increase of the Federal subsidy by $600,000.

3rd. He has increased the annual revenue from the forests to over $1,018,000 (not comprising sales of limits), a figure much in excess of any previous attainment.

4th. He has stopped all borrowing.

5th. He has diminished the expenses.

6th. He has very greatly increased the grants to Education and they are to be immediately still further increased by over $100,000 per annum.

THE HON. JAMES H. HOWDEN, M.P.P.
Appointed Minister of Railways, Telegraphs and Telephones in Manitoba during 1907.

THE HON. GEORGE R. COLDWELL, M.P.P.
Appointed Provincial Secretary of Manitoba in 1907.

7th. He has created (by granting both charters and the means of support) three institutes greatly needed—a commercial college at Montreal; and two technical schools, one at Montreal and one at Quebec.

8th. He has, for the first time, succeeded in raising the salaries of rural teachers by allowances to those school districts which agree to pay at least $100 salary.

9th. He has surrounded himself with men of probity and character, and has insisted on these qualities in all who are to remain part of his *entourage*. He possesses the confidence of such men as Senators Beique, David and Dandurand, Hon. Mr. Brodeur and Sir Wilfrid Laurier.

10th. By moderation and conciliatory actions, and by his care of the finances, he has acquired the approbation of many of his opponents and the reputation of a safe man.

Meanwhile, the Hon. W. A. Weir had been conducting a useful campaign of education in behalf of improved educational facilities for all classes. Before the St. James Literary Society in Montreal, on Jan. 3rd, he said: "If French-Canadians do not occupy the important positions in large industrial or manufacturing concerns, it is due to lack of technical education. I believe that something ought to be done to improve the wretched condition of education in the Protestant rural districts as well as to encourage English Canadians to remain in the Province." At a Montreal banquet of the Architects' Association, on Jan. 24th, he urged a better elementary training in reading, writing, and arithmetic, as well as improved professional and technical courses. To the Protestant Ministerial Association, in the same city on April 9th, he went to the root of the trouble and depopulation in the Eastern Townships. He spoke of the heavy burdens to which the broadly scattered Protestant population were subjected in their effort to keep up separate churches and schools. He described the deplorable straits to which Protestant elementary education had fallen in rural parts, and gave some startling figures in support of his statements. He made an earnest plea for some individual beneficence in support of the work of the State in this respect, and said that what was needed was an endowment fund of $1,000,000 which would enable 100 rural schools to keep open for three months longer every year. To the American Institute of Instruction on July 1st the Minister explained educational conditions in Quebec, what the Government was doing, and what he hoped was an awakening consciousness amongst the people as to the value of education, elementary as well as technical, in book learning as well as in manual training. At a Liberal demonstration at Ormstown on Sept. 14th Mr. Weir dealt briefly with this question in the course of an elaborate arraignment of the Bourassa platform. On Oct. 11th he addressed a meeting of teachers in Montreal and pointed out that Protestant influence was being more and more centred in that City. "The City has good schools, but it is too indifferent to care whether the rural districts for 100 miles around it and from which it draws much of its wealth, have good schools or good teachers receiving proper salaries. That apathy is sinful."

Quite a controversy arose in November between the Minister and the Protestant Committee of Public Instruction over the expenditure of the $16,000 grant for the McGill Normal School which was released by the closing of that institution as a result of the building of Sir W. C. Macdonald's establishment at Ste. Anne's. The Protestant Committee expected to be consulted and to control the use to which this money was put, but the Minister expended it, without asking advice, and by Order-in-Council, amongst the Protestant rural schools. A stormy meeting of the Protestant Committee at Quebec on Nov. 29th discussed the matter as an infringement of the rights of the religious minority in the Province. Other political and public incidents of the year must be briefly referred to. Major G. W. Stephens, M.P.P. for the St. Lawrence division of Montreal, stated on Jan. 3rd that although he would have to retire from the House as a result of his onerous duties on the Harbour Commission he would not do so until the general elections; on Feb. 3rd, in honour of the 50th anniversary of his admission to the Bar, Sir L. A. Jetté, Lieut.-Governor of Quebec, was given a public reception, address and luncheon by the profession in Montreal, with many prominent visitors and guests present who helped to stamp the occasion as a high tribute to a useful career; the Quebec Province branch of the Dominion Alliance, on Mar. 12th, expressed by Resolution its "appreciation of the policy of the Government in the direction of reducing the number of shop licenses in the Cities of Montreal and Quebec and elsewhere"; the terrible fire in the Protestant School at Hochelaga (Feb. 28) in which Miss Sarah Maxwell lost her life trying to save the lives of the children—of whom 16 were burned—evoked legislation granting a pension to the school-mistress's aged mother and a letter, on Mar. 22nd, from Hon. Lomer Gouin couched in terms of rare sympathy; Mr. C. R. Devlin, M.P., was banqueted by the Reform Club of Montreal on Apr. 7th, accorded a demonstration by the Belcourt Club of Ottawa on Nov. 20th in honour of his entry into the Quebec Government, and banqueted in Montreal on Dec. 19th by the Ancient Order of Hibernians.

Early in December Hon. L. A. Taschereau, K.C., the new Minister of Public Works, and Mr. T. Chase-Casgrain, K.C., were speakers at a Canada Club banquet in London where the former paid tribute to "the great King who had conceived the idea of the *entente cordiale* between France and England"; and described the Quebec Government policy as one of natural development and education of the people. On Dec. 19th the Quebec Liberal Club gave a banquet to the Hon. Mr. Taschereau who spoke of the downfall of their old-time leader, Honoré Mercier, and added: "But he may live again in the monument we will raise to him and, above all, he may live again in the person of his son, who makes his entry into the political world as his father did, with head erect and flushed with victory"; in the churches of Quebec on April

13th a *Mandement* was read from Archbishop Bégin approving and announcing the organization of two Catholic Societies—one, L'Action Sociale Catholique, being intended to group and combine all existing Catholic Societies, and the other, L'Ouvre de la Presse Catholique, being for the propagation and publication of good, healthy literature—and both as placed under the special charge of the Rev. Paul Eugene Roy; the conference in Montreal on Nov. 12th between Archbishop Bruchési and the Mayor and City Council in connection with the objection of His Grace to moving-picture shows on Sunday, as being places of entertainment for purposes of gain, was followed by the Pastoral letter of Dec. 1st forbidding Catholics to frequent such shows and by the action of the police on the 13th forbidding these exhibitions as being illegal; an Episcopal order from Archbishop Bruchési as to mixed marriages was issued and read in Montreal churches on Nov. 17th with this conclusion: "Tell your parishioners in our name that we will no longer grant dispensations for mixed marriages, as we have done in the past. They cannot in the future expect to obtain these dispensations even though they bring forward the weighty reasons of temporary advantage or mutual affection, even though they threaten to seek the services of a minister of another religion"; the conclusion of argument in the famous Parent-Légris libel suit occurred before Mr. Justice Cooke on Sept. 26th; a judgment was rendered on Jan. 3rd by Mr. Justice Lemieux in the Superior Court of Quebec convicting *L'Evenement,* a local Conservative paper, of libelling Mr. Premier Gouin and his Ministers on Feb. 23rd, 1907, and imposing fines of about $3,000; the appointment of Hon. John Sharples, M.L.C., by His Holiness, the Pope, as a Knight of St. Gregory the Great, was announced during the year.

One of the features of this period in Quebec was the revival of Conservative party activities. Mr. P. E. LeBlanc, the leader of the forlorn body of seven in the Legislature, showed fresh vigour in his fighting during the Session; and afterwards a number of public meetings were held in expectation of a possible general election. At Three Rivers, on June 28th, a demonstration was addressed by Mr. LeBlanc, F. J. Bisaillon, K.C., and L. T. Marechal, K.C., of Montreal, and Hon. T. Chapais, M.L.C., and Albert Sevigny, of Quebec. Speaking to the Montreal *Gazette* on July 10 Mr. LeBlanc reviewed the situation from his standpoint. He described Mr. Bourassa as "a perfectly honest man and one who would never stoop to do a low or mean action"; stated that there was no real reason or justification for the Gouin Government appealing to the people during this year but, personally, he was ready for a fight at any time; reiterated his antagonism to the policy of the Provincial Conservative leaders in 1904 in laying down their arms before Mr. Parent's "unconstitutional dissolution of the Assembly"; described the Government's surplus

as due to increased taxation and not to economy and denounced as scandalous "the policy of bartering away the public domain to a lot of favourites and speculators for a mess of pottage." Mr. LeBlanc expressed regret at the apathy of the newspapers and the popular indifference to the proceedings of the Legislature.

At Ste. Rose, on Aug. 4th, the Opposition Leader and J. M. Tellier, M.P.P., addressed a large meeting. At Ste. Gertrude on Sept. 15th Mr. LeBlanc boldly accused the recently-appointed Recorder of Montreal, F. X. Dupuis, with having, when a member of the Assembly, asked and received $1,800 from the municipality of Ste. Cunegonde at a time when the Bill to amend its charter was passing through the House. He repeated his charge as to this member having bought certain Crown lands for $26,000, giving his note in payment and selling them again for $40,000 profit. Speaking to a Conservative Club in Montreal on Oct. 18th Mr. LeBlanc said: "The tide of public opinion is changing. During this summer I have held some fifteen meetings in different parts of this Province; meetings which attracted thousands where a few years ago only hundreds would have turned out to hear a discussion on the affairs of the Province." An incident which may be mentioned here was the anniversary at St. Martin, on Nov. 14th, of Mr. LeBlanc's entry into politics 25 years before. The Leader of the little Conservative Opposition in the Legislative Assembly was given a public reception by his constituents of Laval County, and the Conservative Clubs of Montreal sent an Address and their greetings. A feature of the demonstration was a speech from Hon. J. Alderic Ouimet, a one-time member of the Conservative Federal Government, who had recently retired from the Bench and who now stated that he was going to again take up active work for the party. Messrs. F. D. Monk, L. O. Taillon, Alphonse Desjardins, J. G. H. Bergeron and other leading Conservatives also took part in the proceedings. It may be added that the Conservatives of this Province were strengthened during the year by the return to active service, as Chairman of the Montreal district, of Sir Alexandre Lacoste, lately Chief Justice of the Superior Court.

Besides the appointment of Mr. Tessier to the Superior Court in October, Edmund Guerin, K.C., of Montreal, was appointed a Puisne Judge on Jan. 14; Arthur A. Bruneau of Sorel and P. G. Martineau, K.C., of Montreal, on Jan. 29; A. G. Cross, K.C., Mar. 11th. The Hon. Henri T. Taschereau was promoted to the Chief Justiceship of the Court of King's Bench, Quebec, on Jan. 29th.

Proceedings of the Quebec Legislature

The 3rd Session of the 11th Legislative Assembly of Quebec was opened on Jan. 15th by Sir L. A. Jetté, Lieut.-Governor of the Province, with due ceremony and in a Speech from the Throne which referred to the success of the Quebec Government and delegates at the Inter-Provincial Conference in pressing for an increased Federal Subsidy; suggested the deep interest which Que-

bec felt in the great region extending from its northern boundary to Hudson Straits and claimed it, in a geographical and historical sense, as an adjunct of and tributary to the Province; referred to the unsettled condition of the boundary dispute with Newfoundland and the necessity of seeking in the Courts for the protection of what were deemed Provincial and territorial rights; reviewed various educational reforms of the immediate past and promised three new technical institutions in the immediate future; expressed the Government's intention to improve teaching at the Dairy School, to protect by legislation patrons of butter and cheese factories against certain frauds, and to ask a higher appropriation for the improvement of rural roads; intimated the possible creation of a Commission to deal with the disputes and legal proceedings arising from the too frequent accidents to workmen in factories, etc.; promised a measure regarding Insurance companies and mutual benefit associations, a revision of the Joint Stock Companies Act, and the building of a new gaol for the District of Montreal.

Mr. P. H. Roy was elected Speaker of the House and the Address in reply to His Honour was moved by L. J. Gauthier, K.C., seconded by W. F. Vilas, and passed without division. On Jan. 29th Mr. Godfroi Langlois, of *Le Canada,* and a Liberal, made an interesting speech defending himself against the charge, "the very serious charge," of several newspapers that he was a Free-Mason and, therefore, an enemy to religion. He also declared himself in favour of a national school system similar to the state schools of Belgium and Switzerland, and directed and controlled by the Government through its Minister of Education. On the 30th Mr. P. E. LeBlanc, Opposition leader, attacked the Government as taking advantage of its dangerously large majority to rule the House with a despotic sway and of rendering the small Opposition practically powerless in the Public Accounts Committee and elsewhere. He believed, however, that the Liberal party was at last breaking up and that Mr. Gault's election in Montreal was a sign of the times. The Premier described the latter as really a Government supporter and asked why in the last 4 years the Opposition had never ventured to move a vote of non-confidence in the Government! A measure was then presented by Hon. L. R. Roy, which later on became law, increasing the annual grant to L'Ecole Polytechnique by $3,000 or $16,000 in all. Mr. LeBlanc, while approving the grant and the objects of the School, tried unsuccessfully to obtain details of its financial position.

A somewhat academic discussion took place on Feb. 21st regarding the maintenance of "Spencerwood" as the official residence of the Lieut.-Governor. Mr. Godfroi Langlois (Lib.) moved that: "Whereas the expenses for repairs and maintenance of 'Spencerwood' since 1867 amounted to $355,988.46, be it resolved that this House is of opinion that in view of the finances of this

Province, it is necessary to cease spending the money for the repairs, maintenance and improvement of 'Spencerwood,' and to dispose of such property at the expiration of office of the person who now occupies it; that this House relies on the enlightened patriotism and disinterestedness of the men appointed to the honourable and amply-remunerated position of Lieutenant-Governor to help it in realizing so great an economy." The mover pointed out that Hon. J.A. Chapleau in 1882, Hon. H. Mercier, in succeeding years, and all the Liberal members in 1895 were in favour of abolishing Government House. The Hon. Mr. Weir, in reply, stated that the expense of maintenance was now not more than $7,000 a year; Hon. Mr. Turgeon said that conditions had changed and his own opinion also since 1895; Hon. Mr. Gouin pointed out that "Spencerwood" was really Federal property and the proceeds of a sale, if made, would not do Provincial finances any good. The debate was then adjourned, and on the following day J. M. Tellier and A. W. Giard (Conservatives) moved an amendment that the House noted the change in Liberal policy but hoped for future reduction in expenses of maintenance; while Messrs. LeBlanc and George Bernard (also Conservatives) in a further amendment stated that the House hoped for not only reduction in this respect but in the expenses of all branches of the public service. Both amendments were lost on a party vote of 33 to 7 and the original motion was passed. On Feb. 27th Mr. L. A. Taschereau carried a Resolution through the Assembly declaring that: "It would be desirable to amend the law regarding ab-intestate successions so that the surviving consort shall be one of the heirs of the predeceased consort." Government Resolutions voting a guaranteed loan of $100,000 for the erection of a Quebec City Technical School and an allowance of $10,000 for the Montreal Technical School were, also, approved.

On Feb. 28th, in connection with his Resolution to provide for a Provincial Commission to investigate the vexed question of workmen's compensation for accidents, the Hon. Mr. Weir delivered an elaborate speech full of facts as to preceding legislation and conditions. The proposal was duly approved and the Commission finally appointed was composed of Arthur Globensky, K.C., C. B. Gordon and T. Marois. Educational affairs were discussed at length on Mar. 1st in connection with Mr. G. R. Smith's action in bringing before the House a proposal for the imposition of a tax of half-a-mill on the dollar, upon all taxable real estate in the Province held by persons paying Protestant School taxation, the amount so raised to be devoted to an improvement of Protestant elementary education. On the 13th the subject was again discussed. Mr. P. S. G. Mackenzie (Lib.) declared that "the people of this Province, as a minimum, expect an additional expenditure of $250,000 for education, that the Protestants would naturally expect one-eighth of that sum which would amount

to $31,250, and this, being added to the other amounts would make about $58,000—a sum almost equal to the amount expected to be realized by the tax suggested by Mr. Smith." Mr. Langlois was ready to support the suggested taxation, if applied also to the Roman Catholic part of the system, while Hon. Mr. Weir pointed out that the salaries of rural teachers were increasing while those in the cities were actually decreasing; and expressed regret that McGill University was apparently opposing the movement for better conditions in elementary education.

The Budget speech was delivered on Jan. 31st by Hon. A. Tessier, the new Treasurer. There had been an unbroken series of surpluses since 1898 and he was able now to present another one of $327,749—the difference between the ordinary receipts of the year ending June 30, 1906, which totalled $5,340,166, and the expenditures which amounted to $5,012,417. Against this surplus were special payments for sundry public works and $23,000 to the Dairy School at St. Hyacinthe—totalling altogether $167,399. The ordinary receipts had exceeded the preceding Treasurer's estimates by $456,244, the estimated expenditures by $343,997 and the estimated surplus by $180,000. The largest single revenue increase had been $121,348 on the sum realized from Succession duties. In 1905-6 the principal receipts were, from Dominion Subsidies $1,266,375, from Lands, Mines and Fisheries $1,395,248, from Law Stamps $233,617, from taxes on Commercial Corporations $314,930, from Licenses $816,262, from Succession duties $421,-348. There was, besides, the special interest of $324,934 on the sale of the Q.M.O. and O. Railway.

The expenditures of the year included $1,588,998 of interest on the Public Debt, $217,076 on Legislation, $311,829 on Civil Government, $706,629 on the administration of Justice, $534,460 on Public Instruction, $218,600 on Agriculture, $136,000 on Colonization, $295,250 on Public Works and Buildings, $415,564 on Lunatic Asylums, $321,454 on Lands and Forests. In addition to miscellaneous receipts and expenditures the Canadian Pacific Railway had paid $7,000,000 to the Province on account of its purchase of the Q.M.O. & O. Railway and this had been utilized in the reduction of Loans and other liabilities to the extent of $6,696,106. The total liabilities of the Province on June 30, 1906, were $30,195,075, including a funded debt of $28,760,978, and the assets were $4,486,873 or a net debt of $25,708,201. The estimated ordinary receipts for 1907-8 were $4,790,140 and the estimated ordinary expenditures $4,673,645. The Opposition side of this picture was the claim that the Treasurer's surplus was simply a surplus of taxation; that the tax receipts of the Gouin Government were $750,000 more than those of the last Conservative Government; that between 1896 and 1907 taxes upon Successions had increased $404,913, taxes upon commercial corporations by $315,718, and taxes on Stock exchange transactions

$38,654. On Mar. 11th Mr. Tessier announced a number of new and specific taxes on express companies, sleeping cars, insurance companies, telephone companies, etc. Taxes on the capital of sleeping car companies and on offices of business concerns, on the gross premiums of insurance companies, on the capital of telephone companies, on the gross earnings of express companies, on the track line of railways, upon partnerships and associations whose head offices were outside the Dominion, were amongst the impositions. According to a statement submitted on Feb. 15th the Railway taxation already imposed was not always easy to collect and $130,000 was then past due.

Amongst the topics discussed in the House during the Session the L'Epine charges against Hon. Mr. Prevost were naturally prominent. It will, however, be more convenient to deal with this subject in a succeeding section. Meanwhile some useful legislation had been placed on the Statutes. The Premier (Mr. Gouin) was responsible for the Resolutions and Bill respecting Technical Schools in the Cities of Montreal and Quebec and for the Referendum Bill providing that whenever a municipality granted to any person, firm, corporation, or syndicate, privileges for over ten years, in respect to electric or steam railways for carrying passengers or freight, or in respect to gas and electric light, heat, power and traction franchises "the by-law or resolution relating thereto shall, before having force and effect, be approved by the majority in number of the municipal electors who vote on such by-law or resolution"—under the terms of the Municipal Act and within three months of its passage by the Municipal Council. Of this measure the Montreal *Herald* said on Mar. 8th: "Mr. Gouin, in response to a very pronounced expression of opinion from the citizens of Montreal, has introduced a general measure, founded on equity and common-sense, that will give Montreal immediate relief and will be a permanent bulwark for all the municipalities in the Province against the dangers that may lie in a conjunction of scheming corporations and weak-kneed municipal councillors."

Another measure of the Premier's granted pensions to Judges of the Court of Sessions equal to two-thirds of the salary paid at the time of resignation and under conditions which involved permanent infirmity and disability after 15 years' service, or resignation in ordinary course after 25 years in office. Other conditions, such as retirement at the age of 70, or compulsory retirement at 80, were to receive recognition by a full salary pension. An important Bill of Mr. Gouin's also was that which re-modelled the Federal Lord's Day Act so as to suit the local exigencies and conditions of Quebec Province. It left a good deal to the municipalities and the chief clause was perhaps the following: "No person shall on Sunday for gain, except in cases of necessity or urgency, do or cause to be done any industrial work, or pursue any business or calling, or give or organize theatrical representations or excursions

where intoxicating liquors are sold, or take part in or be present at such shows or excursions." Other legislation of the Session included Mr. L. A. Taschereau's bill allowing persons to insure their lives in favour of educational institutions; Hon. L. R. Roy's measure making Provincial laws as to Joint Stock Companies similar to the Federal law; the Quebec bill of Hon. Mr. Robitaille which enacted that the Mayor of that City should, in future, be chosen by a majority vote of the electors; the measure presented by Dr. Jobin amending the law as to Physicians and Surgeons in which a clause increasing the term of medical students from four to five years was rejected despite earnest arguments from representatives of Laval and McGill Universities; Hon. Mr. Prevost's Bill concerning Mines which limited the amount of territory to be acquired for prospecting purposes and authorized higher charges for prospecting rights; the Provincial Treasurer's License changes which placed the tax upon transfers at $20 to $75, the wholesale shop license at $30 to $100, the bottler's license at $10 to $40 and, if also a brewer, at $20 to $60, and placed the regular license fees in Quebec City at from $300 to $1,150, in other cities at $300 to $1,000, in towns at $200 to $500, in non-organized territory or villages at $125 to $300. There may also be mentioned Hon. Mr. Tessier's measure respecting motor vehicles and his Bill giving a yearly grant for the making and maintenance of roads. The Legislature was prorogued on Mar. 14th.

An important and much-discussed item of proposed legislation was that affecting the City of Montreal. With the Government more or less irresponsible in the matter; with vested interests and corporate power very strongly represented in the Legislative Council though not so strongly in the Legislature; with no clear party lines to be found anywhere in such a connection; the City's bills have generally had a stormy experience in the Legislature and 1907 was no exception to the rule. The proposals of this Session were divided into two bills presented by Mr. Godfroi Langlois—the one dealing primarily with the construction of underground conduits and the other treating of general civic administration. They were sent to the Public Bills Committee and there developed the usual prolonged struggle between rival interests. A great array of lawyers was present at one time and another. On Feb. 14th the Bell Telephone Company and the Montreal Light, Heat and Power Company were fighting out various issues with Mayor Ekers and other city representatives before the Committee; on the 15th the right to certain Civic taxation of corporate property was fiercely contested while two members representing Montreal, and six aldermen of that city, waited on the Premier to ask the Government's intervention in favour of limiting gas and electricity franchises to ten years unless approved by vote of the electorate; on Feb. 19th and 20th the Montreal legislation was the chief subject of debate in the House.

A delegation of Montreal Aldermen and citizens, numbering about 200, waited upon the Premier and his Ministers on Feb. 26th with a petition containing 5,000 names and with speakers who included the Hon. Arthur Boyer, M.L.C., J. S. N. Dougall, Gonzalve Desaulniers, J. G. Watson and J. A. Beaudry. They asked the Premier to enact special legislation "by which all contracts for public utilities shall be approved by a popular vote when they run longer than ten years, or else be ratified by the Governor-in-Council." On the 27th another struggle took place in the Committee between the forces of the City and the Light and Power Company. Civic taxation of gross earnings and civic construction of conduits were the subjects of conflict. The Conduit Bill passed the House on Mar. 5th and in the Legislative Council was greatly changed—so much so that the remaining fragments were incorporated in the other Montreal Bill and passed in due course. A general summary of this legislation may be given as follows:

1. Authority to the Montreal Council to borrow $10,250,000 for increasing the power of the Water-Works, purchasing St. Helen's Island from the Government, aiding the Grand Trunk Railway in establishing level crossings in the City, organizing a high-pressure fire system and constructing a system of underground conduits; as well as an additional sum sufficient to buy out the Montreal Gas Company. Some of the Loans were to be first approved by the Legislature.
2. Permission to borrow $500,000 every year on the increased value of real estate.
3. The right to impose a special tax of one per cent. on persons drawing over $1,200 a year and residing outside the city limits.
4. Empowering the City to sell gas for light, heat or motive power.

The Asselin Case and Charges against Messrs. Prevost and Turgeon

A sensational journal called *Le Nationaliste;* a clever and erratic young Editor named Olivar Asselin, who had for some time been a thorn in the side of politicians of all parties and whose most certain quality was devotion to the ideas of Mr. Henri Bourassa; a Belgian of uncertain antecedents and curiously complicated character named Baron de L'Epine; two members of the Provincial Government; constituted the chief elements in Quebec's political drama of 1907. Stripping the subject of political oratory, the fireworks of Counsel, and the technicalities of Courts, the story is that of a foreigner, without any particular means or clearly acknowledged position, who made a livelihood by picking up small contracts from the Quebec Departments and wanted a permanent position, turning upon the Ministers with whom he had been associated and making certain specific charges of corruption.

According to his own statements Baron de L'Epine became interested in land speculations in the Province through negotiation with certain of the Provincial Ministers, and as a consequence endeavoured to form a syndicate in Belgium and Canada with a

view to the purchase of large areas in the Abitibi region and on the supposed route of the Grand Trunk Pacific. When he came to discuss terms with Hon. Mr. Prevost and, as he also asserted, with Hon. Mr. Turgeon, he claimed that the price asked for these lands was $1 per acre, 70 cents per acre to go to the public treasury and 30 cents per acre to go to an election fund. The area that the Syndicate first proposed to buy covered 200,000 acres. This would have given $60,000 to the election fund. But afterwards 500,000 acres were spoken of, and if such a sale had been effected the election fund would, he claimed, have received $150,000. The smaller area, however, was adhered to, and the Syndicate finally offered to pay $40,000 instead of $60,000, which proposition, the Baron alleged, was rejected on the ground that it was insufficient to buy certain newspapers which would be required to influence public opinion in the matter.

The subject first came into public view, and only partially, through an article which appeared in *Le Nationaliste* on Nov. 25, 1906, and reflected severely upon Hon. J. B. B. Prevost's administration of the Lands, Mines and Fisheries Department. Other attacks followed upon Mr. Prevost in *Le Canadien* and were based upon talk and newspaper statements by M. de L'Epine and a certain Abbé Joseph Arts, a Belgian priest who had acted as a sort of immigration agent for the Department in that country. The Minister took preliminary proceedings against Mr. Asselin in the Courts and, meanwhile, dealt with the subject in the Legislature, so far as it had then developed, on Jan. 23rd and in a speech of eloquence and force. It was in the main, however, an answer to charges of personal extravagance while in Belgium at the Liége Exhibition and of careless administration of his Department. The more serious allegations were to come later. A feature of the speech was the reading of a letter signed by M. de L'Epine and dated Oct. 30, 1906 and of which copies had been printed and distributed to members. It demanded a settlement of certain immigration and land matters at issue, stated that Mr. Prevost had promised him a position, and proceeded as follows:

> In your capacity of Minister and in the free use of your prerogatives you promised me a position. My claiming the fulfilment of that promise brought about the difficulty between us. You are aware, and I repeat it, that I am determined to obtain the fulfilment of that promise by all legitimate means and I shall not falter in my resolution. So far, if I have spoken, and I had no reason for remaining silent, I have not written. That will come if I do not get satisfaction and, next Session, you will succumb under the weight of various charges, especially that of having for ever ruined Belgian emigration to the Province of Quebec. Chance circumstances have placed me in possession of documents supplying crushing proof of that theory. Under such conditions I do not fear open war but I should be greatly grieved and reluctant to have recourse to it. I do not in the least wish to annoy you; I wish merely to save myself from the ridicule with which you have covered me and to earn my living honourably.

In concluding the letter the Baron intimated that a satisfactory indirect answer would be the securing of a situation for him in some other Department if not in the Minister's own. During his speech Mr. Prevost had stated that the writer of this letter was in such financial and other straits that he had left the Province and dared not return. On Feb. 18th, with dramatic manner, M. de L'Epine walked into the gallery of the Assembly and listened to Mr. LeBlanc, the Opposition Leader, state that the letter which had been read to the Legislature by the Hon. Mr. Prevost had never been sent by the writer to the Minister though he did not deny having written it. Mr. Prevost was not present but on the 19th produced the original letter and laid it on the table of the House. After a keen debate the letter was, on Feb. 22nd, ordered to be inserted in the Journals of the House together with one from the Baron denying that he had sent it or caused it to be sent the Minister. At the same time a Committee was appointed to inquire into the method by which the letter came into Mr. Prevost's possession and, after examining various witnesses under oath (including the Minister and the Baron), this Committee reported on Mar. 12th that (1) M. de L'Epine had written and signed the letter with the "decided intention that it should reach Hon. Mr. Prevost"; (2) that he handed it, duly addressed, to his friend, Alexandre Girard, with a request to forward or give it to the Minister; (3) that, on the following day, de L'Epine called upon Mr. Girard to ascertain the result of his message.

On May 13th the trial of Mr. Prevost's case against Mr. Asselin and *Le Nationaliste,* for libel, really commenced in the Criminal Court at Quebec. The defendant pleaded "not guilty" and also filed a plea of justification. Mr. Justice J. G. Bossé presided at the trial and L. A. Taschereau, K.C., acted for the Minister, with N. K. Laflamme, K.C., for the Editor. The Hon. Mr. Prevost was examined on the 14th. During the day a sensational incident occurred in the production by the defence of an alleged letter from M. de L'Epine to the Hon. A. Turgeon, dated at Charneuse on Jan. 28, 1906, dealing with the Baron's efforts to form a Syndicate in Belgium for the purchase of public lands, and containing the following clause: "On the other hand the explanation I supplied with regard to the C.E. (said to be Caisse Electorale or election fund) to the four members of the Board of Directors was understood, admitted and accepted without any difficulty. We have to deal with people who understand matters." This letter Mr. Turgeon denied receiving, and shortly afterwards announced his intention of prosecuting Mr. Laflamme on a charge of intimidation, or of attempting to compound a felony, by seeking through others to force him (Mr. Turgeon), as acting Attorney-General, to withdraw the proceedings against Mr. Asselin, in this case, in consideration for which the defence would suppress

the letter above-mentioned. He also declared that he would bring the matter before the Bar of Montreal. Mr. Laflamme denied any such action, and it appeared that Mr. Godfroi Langlois, M.P.P., was the intermediary who had discussed the case in some form or other with both parties.

The evidence which immediately followed dealt mainly with questions of administration in Mr. Prevost's Department, with Mining permits for alleged speculative purposes, with charges of favouritism and looseness in management. Many witnesses were examined including Mayor Garneau of Quebec, Cyrille Delage, M.P.P., Frank Carrel of the Quebec *Telegraph,* Arthur Lemont, formerly Secretary to the Minister, Peter McKenzie and Hon. C. E. Dubord, Sergius Dufault, Deputy Minister of Colonization, and Mines, and Arthur Gagnon, Accountant of that Department, A. P. Simard and J. E. Saucier of Montreal, J. Obalski, Superintendent of Mines, and various members of the Legislature. The Baron de L'Epine testified on May 22nd and following days. He presented various letters dealing with the negotiations in which he represented the Belgian Syndicate proposing to invest in mining lands of the Abitibi region; described his appointment by the Hon. Mr. Turgeon to represent Quebec at the Liége Exhibition of 1904, his previous work in supplying stock horses to the Government and his succeeding work in promoting emigration to the Province; stated that the promotors of the Syndicate were F. DeJardin of Antwerp, Chevalier Goethals and F. Jacobs with Hon. C. E. Dubord, M.L.C., as the Canadian Director; alleged that "I was given to understand that all companies receiving large grants or concessions are supposed to reserve a certain sum for election funds"; swore that under his arrangement with Mr. Turgeon the land was to cost the Syndicate $1.00 an acre of which 30 cents was to be reserved for a campaign fund and the Province to receive 70 cents an acre; stated that a lump payment of the amount finally in question was demanded by the Minister; declared that negotiations followed as to paying by instalments and had also dealt with a second proposition under which the Minister would receive $40,000 for the Fund according to the alleged Syndicate offer or $60,000 as he was said to have himself demanded.

Strong efforts were made by the prosecution to weaken Baron de L'Epine's testimony on the ground of his having been an atheist and some evidence was permitted upon that point before the Judge decided against its continuance; the various members of the Government, on May 30th, entered the witness-box in turn and swore that they had never heard of any campaign fund proposals such as the Baron referred to; and the Hon. Mr. Turgeon made the same categorical statement: "I never received this letter from Charneuse, nor have I ever received any letter mentioning the question of a contribution of 30 cents per acre to the Caisse

Electorale. If there had been any mention of such a thing the negotiations would have immediately been cut off. I have never spoken of a contribution of 30 cents per acre or of any other sum to the Caisse Electorale. I have never heard of anything like that. Baron de L'Epine has never spoken to me of a contribution to be made to the Caisse Electorale. I have never imposed any conditions during the negotiations involving such a contribution. The negotiations were broken off because in an interview with Mr. DeJardin and Baron de L'Epine, I declared that I would not grant the land without the condition of settling it up." On May 30th and 31st, and June 1st, Messrs. Laflamme and Taschereau delivered their charges to the jury and the latter described the Baron as an adventurer, as being guilty of perjury and his story of the election fund as a pure fabrication.

The case then went to the jury with a result of six on either side and no verdict rendered. In his charge Judge Bossé (who had already ruled that there was no criminal libel in the original article) dealt with the apparent political nature of the whole case; with the practical switching of the trial, in effect though not technically, from Mr. Prevost to Mr. Turgeon and from a libel suit to a Departmental investigation; intimated that the evidence showed neglect by the Minister (Mr. Prevost) as to the mining work of his Department in the interests of the Colonization section; and made the following personal reference: "I must say that nothing has been proven against Hon. Adelard Turgeon. In as far as acts of personal corruption are concerned, he has come out of this trial intact and unscathed." Meanwhile, the Quebec Conservative paper, *L'Evenement,* had been commenting critically upon the trial and contempt proceedings were initiated against the journal but dismissed by the Judge on May 24; *Le Soleil,* a Liberal paper, of Montreal, was on June 1st fined $50 for contempt of Court in an article which had ridiculed the Court, the Counsel, and the witnesses connected with the case; on May 20th the Council of the Montreal Bar heard the charges of unprofessional conduct laid by the acting Attorney-General of the Province against Mr. N. K. Laflamme, K.C., which they unanimously dismissed. Following the trial, with its very unsatisfactory conclusion, a campaign of explanation and defence was carried on in the country by the Ministers concerned. At St. Eustache, on Aug. 11th, Mr. Premier Gouin went into a vigorous and detailed defence of Mr. Turgeon and compared his character and record and credibility with those of the Baron de L'Epine whose word was the sole proof of the charges made. Mr. Prevost also spoke at length. Addressing 5,000 of his constituents at St. Michel, on Aug. 18th and following a speech from the Premier, Mr. Turgeon vigorously defended himself and had this to say of the Belgian Baron:

In 1902 Belgium dumped upon our shores one of those foreigners whom the curse of heaven periodically sends to us. It was my misfor-

tune to meet him. He was a man of good family, possessed of education and tactful address who looked miserable at Mr. Gigault's where he was working as a farm hand at $5 a week. I was filled with compassion for him, when I saw him striving so bravely to remake the fortune he had wasted in his own country. I have been blamed for having been so intimate with Baron de L'Epine, but I am not the first to be deceived by appearance, nor the first honest man to be duped by a rogue. Only my intimate friends know what I did for that man, and yet it was the same man who for five years took note of everything I did, collected everything I wrote and sold it for so much a line, even those private and confidential letters which no honourable man should ever part with. He forged documents and mutilated others to destroy or dishonour his benefactor.

Hon. Mr. Prevost also made a number of speeches in vindication of his Department and its policy and on Sept. 30th handed in his resignation as a Minister to the Premier and his case went once more from the political arena to the Courts. At Quebec, on Oct. 10 before Mr. Justice J. Blanchet, a second suit against Olivar Asselin, instituted by the Crown for criminal libel, came up but Mr. Asselin did not appear and, on the next day a warrant was issued for his arrest. He could not, however, be found and on the 15th the case was laid over until the next term of the Court—Judge Blanchet stating that he hoped the parties would, in the meantime, settle the case amicably, as it was a political one which should never have come before the Courts. On Oct. 8th Mr. Prevost had written Mr. Bourassa challenging him to a joint debate in his constituency of Terrebonne and, finally, after some sarcastic, semi-personal interchanges this was accepted for the 17th, at St. Jerome, when the time was equally divided between Mr. Bourassa and N. K. Laflamme on the one side and the late Minister on the other. The speeches of the first-named were largely taken up with the Turgeon side of the case and in continuance of the Bourassa claim that the retirement of the other Minister practically eliminated him from the situation. Mr. Prevost, however, maintained his responsibility for the administration of his late Department, analyzed the charges against it in detail, denounced *Le Nationaliste* and its Editor as irresponsible and unscrupulous, twitted Mr. Asselin with having run away from his trial, declared himself still in public life, and made the following defence of Mr. Turgeon in the allegations which concerned them both:

Some Belgian colonists wished to establish a colony in Quebec Province and they addressed a letter to Mr. Turgeon. He wrote back offering them certain conditions. Instead of charging them 30 cents as is done in the case of settlers he demanded that they should pay 70 cents per acre. Instead of having their wood free they were to be obliged to pay stumpage dues. Instead of being granted the same easy conditions of settlement as are accorded to the ordinary settler they were obliged to settle one-tenth of the land they took up, to make thirty settlements the first year, and seventy more in each of the following years. In short Mr. Turgeon, who is accused of having tried to obtain $50,000 for the Caisse Electorale, would not give this Syndicate what they wanted. All he had to do, according to Mr. Bourassa, was to accede to their terms in order to secure this

money. If there was in his mind any idea of the kind surely he would have conceded their terms. Instead of that, the terms he offered them were far more onerous than any previously imposed. Surely that is a sufficient answer to these trumped-up charges made by Mr. Bourassa.

In his paper, on Oct. 21st, Mr. Asselin defended his non-appearance at the Quebec trial as follows: "I was not placed under bail and neither the presiding Judge, the Clerk of the Court, nor any one else in authority, notified me to appear again this autumn. Ten minutes before the opening of the present term I had no official knowledge of the intentions of the Attorney-General." On the following day he was arrested and, after 24 hours in gaol, was permitted by the Judge to give bail on condition of appearing at the next Criminal Court to stand his trial. Meantime the Hon. Mr. Turgeon had, on Aug. 21st, entered an action for civil damages against *Le Nationaliste* in connection with a charge of perjury made by that journal during the Prevost-Asselin suit. On Oct. 17th Mr. Justice Cimon, in the Superior Court at Quebec, gave judgment for Mr. Turgeon in his case, condemned *Le Nationaliste* to pay the full damages of $400 asked for, and delivered a sweeping arraignment of that paper and its action in this connection: "In the present case there was not the shadow of justification to make such an atrocious accusation and I would like to have the power not only to repair the civil wrong, but I would also like to have the power to imprison the slanderer, and my conscience would not be satisfied if I did not imprison him for the longest term which the law allowed me to impose. But, as I stated before, law is insufficient in a case like this to protect an honest man." On Nov. 5th the decision was appealed against.

While these matters were pending Mr. Premier Gouin had written (Oct. 16) to M. DeJardin at Antwerp describing "the slanderous campaign which has been carried on against our Government since the Baron de L'Epine gave his evidence"; mentioning statements in recent speeches and newspapers that he (the Premier) had discussed the alleged election fund with M. DeJardin and adding: "This is why I write you to request you to read the report in question and to state if ever, at the Place Viger Hotel in Montreal, or elsewhere, an electoral subscription or anything of that nature was in question between you and me." The writer asked for a categorical reply, without ambiguity, to be cabled at his expense, and on Oct. 29th received the following: "Having read in the Montreal *Star* of Oct. 14th a summary report of a speech made by Mr. Laflamme, I am anxious to protest against the accusations which it contains, and to declare energetically that in the course of my negotiations with you and with the Hon. Adelard Turgeon, the only Minister with whom I have been in connection on the Abitibi matter, there has never been any mention whatever of an electoral subscription, or fund, or of anything

like it. There has never been the least allusion to it." The next and final stage of proceedings in this most complicated and personal battle was the appointment of a Royal Commission by the Quebec Government to inquire into the whole Abitibi affair. The Commissioners were Sir Francois Langelier of the Superior Court and Mr. Justice N. Charbonneau. Late in December the sittings commenced and Mr. F. DeJardin was amongst the witnesses—Baron de L'Epine having refused to attend. No decision in the matter was, of course, reached during 1907.

Mr. Bourassa Enters Quebec Provincial Politics

The sensational dash of Henri Bourassa into the Provincial politics of Quebec was one of the interesting incidents of 1907. For the previous year or two Mr. Bourassa had been drawing away from his Leader and the party at Ottawa; attacking them at times, voting against them when he felt like it and, at the best, very critical of both policy and administration. It seemed only a matter of time when open and avowed hostility would take the place of a party follower's friendship and fidelity. His personal policy and view-point were, in any case, mainly of a French Nationalist character. On July 10 *La Patrie* asked him as to the truth of current rumours regarding his entry into Provincial politics and received a non-committal reply containing a guarded attack upon the Gouin Government. At Montmagny, on July 13th, he keenly criticized the Federal Government, denounced the encouragement of English immigrants and declared that they would soon number a million a year and the French-Canadians become in time an inappreciable fraction amongst the electors of the nation; stated that there was more corruption in Canada to-day than when the Conservatives were in power and that, while he was a believer in the policy of Sir Wilfrid Laurier, he was not a supporter of the men around him; and added that he was undecided as to becoming a candidate for the Provincial Legislature. "Ministers had denied the existence of a 'Caisse electorale' but he believed that there was such a fund and that it was not a loan fund."

Within the next few weeks Mr. Bourassa seems to have made up his mind in the direction of a campaign against the Provincial Government and a public meeting was called for him at Quebec, in the heart of Sir Wilfrid Laurier's own constituency, on Aug. 6th. Every effort was made to have it a success and, as was afterwards charged, deliberate efforts were made to break it up. Whether the opposing elements were organized or not, however, it was one of the stormiest meetings in the political annals of the City. Twenty thousand people were present in the Square, stones and eggs were thrown, electric lights smashed, the fire-hose freely used, shouting and howling interrupted the speakers who included Armand Lavergne and L. Robitaille—Mr. Bourassa's Nationalist colleagues in the Commons. The Police intervened

from time to time and finally arrested several of the rioters. Amongst those who were conspicuous in the crowd—made so by their followers—were L. A. Taschereau, M.P.P., G. W. Parent, M.P., and M. d'Hellencourt of *Le Soleil*. The speech of the evening was, of course, too detached and fragmentary to prove the vivid presentation of a new policy and platform which Mr. Bourassa had intended it to be, but the disturbance did not do him any serious harm in its final result. The probabilities are that the incident drew a degree of public attention to the man and his views which they would not otherwise have received while the condemnation of the violence itself was widespread.

At any rate the affair deepened Mr. Bourassa's determination to continue an aggressive course and, on Aug. 9th, he announced that invitations to speak had come from nine places and that he would accept them all. He spoke at Ste. Martine, in Chateauguay, on the 13th and declared himself a Liberal by tradition and conviction; demanded that the Mines, Fisheries and Timber limits of the Province be dealt with on business principles; described the existing law for Crown lands as a premium on rapine and robbery and stated his policy as follows: "Create forest reserves for the lumber merchant and settlers' reserves for colonization. In the colonization townships reserve a portion for common use, for fencing and for building. Give the merchant fifteen or twenty years to clear his timber limits. Grade the stumpage, charging high prices on small lumber and low prices on the large." In the matter of water-powers Mr. Bourassa urged that the greater national powers be reserved and the lesser local powers be advertised and sold for industrial purposes. He advocated a permanent Legislative Committee to watch over Federal legislation and check infringement of Provincial rights; proposed legislation to restrict law costs in small cases and to limit appeals; and promised to establish a Council of Labour similar to that of Agriculture and of Public Instruction. In the matter of Education he thought Mr. Gouin had done whatever was possible. Various more or less specific charges were also made as to cheap sales of valuable timber limits.

On Aug. 17th a joint debate was held at St. Hyacinthe before some 5,000 people between Mr. Bourassa and Mr. A. M. Beauparlant, the local M.P., in which the latter read a letter from Sir Wilfrid Laurier stating that the member for Labelle was not one of his best political friends, that he did not approve of his attitude, and had never authorized the use of his own name in connection with the meetings being held. At St. Rigaud, on the 18th, Mr. Bourassa, before about 3,000 people, met J. A. Chauret, M.P.P., L. J. Gauthier, M.P.P., and others. The chief incident of this meeting was the reading of a letter from Mr. N. K. Laflamme, K.C., stating that a member of the Legislature (Mr. A. Bergevin) claiming to represent the Premier, had discussed with him the entry of Mr. Bourassa to the Quebec Cabinet and the withdrawal

of Messrs. Turgeon and Prevost. This Mr. Gouin absolutely denied any responsibility for but admitted that he had expressed to Mr. Laflamme no objection to an amicable meeting with his antagonist. "Never directly or indirectly have I offered or caused to be offered a portfolio or anything else to Mr. Bourassa." L'Assomption was visited on Aug. 27th and N. K. Laflamme, Olivar Asselin, A. Lavergne, M.P., J. H. Rainville and others spoke with their leader. At Louiseville, on the 29th, Mr. Bourassa was supported by Senator Legris. At Longueuil, on the 31st, there were 7,000 people present and inefficient land laws were described as the root of all the trouble in Quebec. More than 5,000 persons were at the Riviere du Loup meeting on Sept. 3rd.

During these and succeeding demonstrations the language of the speakers grew more and more strenuous, the hostility to the Gouin Government more bitter, the terms of Mr. Bourassa's speeches more sarcastic and his denunciations more vigorous, the position of Mr. Laflamme stronger in expression and allegation. At Ormstown on Sept. 14th the Hon. W. A. Weir returned these favours with interest. "Mr. Bourassa," he said, "had no fixed programme or policy." His boasted independence was like the independence of a bull turned loose in a crockery shop, where he might work his independent will. "No one knew what practical reforms he was advocating. In the eleven years he had been at Ottawa he had never brought forward one bill to further the interests of the people. He was very often absent and only turned up when there was an opportunity to make a row. It was extremely unlikely that he, Mr. Lavergne or Mr. Robitaille would ever again be elected to the Federal House." He described Mr. Bourassa as in the habit of making sudden changes. At Montmagny he said one thing and at Rigaud, a few days later, exactly the opposite; his campaign was simply one of wholesale denunciation and slander; he had distorted the statements of Liberal speakers to suit his own momentary purposes; he had made absolutely false statements in every address—with regard to the comparative values of Ontario and Quebec timber limits, with regard to the private sale of Quebec limits, in respect to the purchase of local limits by Messrs. Dupuis and Breakey.

Mr. Bourassa and his friends were at Lake Megantic on Sept. 16th and at Levis on Sept. 17th where they addressed some 6,000 people and were opposed by Mr. Cleophas Blouin, M.P. Succeeding meetings were at Soulanges on the 21st, at Iberville on the 22nd, at Ormstown on the 25th, at Shawinigan Falls on the 28th, and at Three Rivers on the 29th; at Beauceville on Oct. 5th, at Beauport on the 6th, at Sherbrooke on the 12th, at Thetford Mines on the 13th and at Laprairie on the 19th. At the Iberville meeting Mr. Bourassa stated that two Federal leaders had offered, not long since "to arrange" with the Provincial Premier for him to take Mr. Prevost's place in the Cabinet while in 1903 Sir

Wilfrid Laurier had three times offered him a seat in the Quebec Government with the promise of eventually becoming Prime Minister; at Ormstown he read a letter written by Hon. W. A. Weir and dated Apr. 13th, 1902, which expressed congratulations upon his pamphlet, *Great Britain and Canada,* and added these words: "As a native-born Canadian, my motto has always been 'Canada First,' and your labour has strengthened me in the idea. Our first aim should be to develop the unity and power of Canada. In doing this we help our country, and possibly the Empire. When we have accomplished this we may or may not ally ourselves to the Empire, in a similar way to what Germany or the United States might do." At St. Jerome 12,000 people listened to his joint debate with Mr. Prevost; at Beauport Mr. J. E. Bedard, K.C., joined his ranks as a speaker while Messrs. Emile Rioux and Edouard Biron, President of St. Mary's Liberal Club in Montreal, did the same at Sherbrooke.

Following this campaign of oratory Mr. Turgeon suddenly and dramatically accepted the defiance offered, threw up his seat in the House and challenged all-comers to meet him in his constituency of Bellechasse. Writing to the Premier, on Oct. 17th, he pointed out that Judge Cimon had relieved him from the infamous charge of perjury, expressed the hope that the Government would at once appoint a Royal Commission composed of Judges to go fully into every detail of the Belgian syndicate matter; and, meantime, he would submit his general administration and policy to the electors of his own constituency. After reflection Mr. Bourassa decided to contest Bellechasse as an independent Liberal candidate and the struggle which followed was one of the bitterest in Quebec's many keen personal conflicts. Both men were unusually good speakers—Mr. Bourassa having perhaps the greatest skill in sarcasm and retort, Mr. Turgeon the most sustained and graceful oratory. The constituency was strongly Liberal but then the Bourassa element was sure to receive Conservative support while expecting to break into the ordinary Liberal ranks. Joint meetings were held and some of the debates were more than stormy. The two candidates were at St. Charles on Oct. 27th, at St. Raphael on the 28th, and later on at St. Michel, St. Valier, and other places, in joint discussion. They spoke at a great many meetings and there were innumerable speakers in the riding from Quebec and Montreal during the entire contest.

Mr. Premier Gouin spoke upon one or two occasions and J. A. Lane, K.C., of Quebec, with C. A. Wilson, K.C., of Montreal, and many others were active on the Minister's behalf; while his opponent had A. Lavergne, M.P., L. Robitaille, M.P., and N. K. Laflamme, K.C., with him throughout. The Conservatives were also mixed up in the contest and the Montreal *Star* gave the Bourassa cause all the assistance possible in the way of reporting speeches very fully and making much of the attacks upon the

Government. In this connection *L'Evenement,* the Quebec Conservative organ, appealed strongly to Conservatives to support Mr. Bourassa because "a defeat of Mr. Turgeon would give the signal for the downfall of the Government." On Oct. 28th the Montreal *Herald* plainly charged an alliance with the Conservatives. "There is alleged to be in existence some form of written compact, entered into by Mr. Bourassa, on the one part, and Sir Alexandre Lacoste, as agent of the Quebec Conservative party, on the other, which makes for a long approach to a fusion of forces, the Conservatives supplying what Mr. Bourassa lacks, an active widespread organization, and he supplying what the Conservatives have lacked, a presentable leadership." Another incident along this line was the Federal Premier's telegraphed reply on Oct. 29th to an inquiry as to the truth of claims that he supported the Bourassa campaign. "Every statement of that character is absolutely without the slightest foundation. I am a supporter of the Government of Mr. Gouin, and I have entire confidence in the honesty of Mr. Turgeon, (signed) W. Laurier." Toward the end of the contest Senator Landry, Hon. T. Chapais, L. P. Pelletier, K.C., and other prominent Conservatives came into the riding to help Mr. Bourassa, and on Nov. 4th the contest ended in a majority of nearly 800 for the Minister of Lands and Forests as compared with 434 majority in 1897 and an election by acclamation in 1900 and 1904. His opponent had little to say as to the result save that he had no intention of quitting public life. To Mr. Turgeon and his friends it was an evidence of popular faith and of the public acceptance of his innocence in the complicated charges made against him.

Government Policy and Affairs in Manitoba during 1907

There were some changes in the Provincial Government during the year. On Mar. 16th Mr. Premier Roblin announced that James Henry Howden, who had been Mayor of Neepawa for three years, and member for Beautiful Plains since 1903, had joined the Government as Minister of Railways and that as soon as the new Department could be created by Legislative action he would be Minister of Telephones and Telegraphs. In regard to this Telephone policy of the Government the Premier went on to say that contracts had been closed for poles for 1,000 miles of long-distance line and added: "It is our purpose to first interview the municipal authorities in all the cities and towns and reach an amicable conclusion as to whether they shall proceed with construction or whether we shall build the system under the Act as it now stands. The wishes of the municipalities will be respected as to the choice they will make; but we feel that the construction must proceed at once as the longer the matter is delayed the more complicated the situation becomes. Therefore, we expect that construction will commence in all the leading centres within the next sixty days. Mr. Howden will give his whole time

to the matter and we trust that the negotiations and interviews that will be held will be indicative of a desire on the part of all to secure at the earliest moment possible the advantages of a public-owned Telephone."

On June 25th, following, Dr. Stanley William McInnis, who had sat in the Legislature for Brandon since 1899, was appointed Provincial Secretary in place of the Hon. D. H. McFadden who retired from the Government as a result of his defeat in the general elections. The appointment was universally popular, even the Winnipeg *Tribune* describing the new Minister as "an advanced thinker, a progressive politician, a man who *does* things and, withal, a fine, manly, decent fellow." Equally strong was the approval expressed when (Aug. 5) Dr. McInnis was also made Minister of Education in place of the Hon. C. H. Campbell who had so long administered that office together with his Department of Attorney-General. On Nov. 4th came the sudden death of this rising and popular politician. His successor in the Government was also his successor in the representation of Brandon—Mr. George Robson Coldwell, B.A., K.C., who for 20 years had been an Alderman of that city, a prominent barrister, and a well-known athlete.

On Apr. 16th, after a prolonged controversy which had involved law-suits, hundreds of pages of newspaper correspondence and comment, and a place in the Provincial general elections, the Winnipeg Grain Exchange came to terms with the Grain Growers of the Province as represented by the Grain Growers' Grain Company—which had originally been a member of the Exchange through Mr. E. A. Partridge; then expelled from it for breaking the rules by dividing commissions upon a co-operative basis; and afterwards, through John Spencer, Secretary-Treasurer, become an applicant for re-instatement. On Mar. 28th, after the flurry of the Elections had subsided, Hon. Robert Rogers, acting-Premier in Mr. Roblin's absence, had written the President of the Exchange that he was informed by the President of the Grain Growers' Association (Mr. McCuaig) that the obnoxious commission by-law had not been repealed or any action taken to re-instate the Grain Growers' Grain Co. in their trading privileges. Mr. W. J. Bettingen replied that the Exchange had never considered the question of repeal but that the Company in question had the right of appeal from the Executive to the Exchange, as a whole, in the matter of trading rights. Mr. Rogers then wrote the following explicit letter on Apr. 2nd: "The action of your Council in refusing trading privileges to the Grain Growers' Grain Co. cannot be regarded by the Government other than as an arbitrary and unjustifiable exercise of the powers conferred upon you through your charter by the Legislative Assembly of Manitoba, and unless remedied by the 15th of this month the Government will call the Legislature together for the purpose of remedying this and other grievances by Legislative amendments."

Following this letter a Conferenee was held between members of the Government and representatives of the Exehange; on Apr. 12th the Grain Growers' Company formally re-applied for admission to the Exehange and expressly agreed to abide by its by-laws, rules and regulations; on the 13th the annual meeting of the Company resolved to definitely abandon their eo-operative method of dividing the profits of their business; on the 15th the President of the Exehange wrote Mr. Rogers that the applieation of the Company had been aeeepted at a general meeting of the Exehange and that eertain eoneessions had been agreed to of whieh the following is a summary: "To fully provide in the new Exchange building for a publie gallery which will be open to visitors during trading hours; to allow newspapers, as heretofore, free aeeess to the trading room, provided no illegitimate use is made of quotations for bueket-shop purposes; to keep the books of the Exehange at all times open to inspeetion by the Government of Manitoba; to elect to membership in the Exehange, under the rules, all applieants of good character and financial standing; to revoke that part of the eommission rule now in foree whieh fixed salaries at a stated amount per month—a general meeting of the Exehange having unanimously eommitted itself to this amendment; to grant registration to the Grain Growers' Grain Company."

On June 5th and 6th a Conferenee regarding the Grain trade, ealled by the Provineial Government, was held in Winnipeg. Some 200 delegates were present of whom a large number were Reeves of rural munieipalities while the Grain Growers' Assoeiation was represented by its Board of Direetors, the Grain Dealers' interests by some eight delegates, the Grain Exehange by W. J. Bettongen, G. R. Crowe, C. N. Bell and others, the C.P.R. and C.N.R. by Messrs. Peters and Shaw. Mr. Premier Roblin opened the Convention with a speeeh in whieh he said: "The Grain Growers' Assoeiation has asked to have eertain changes made in the eharter of the Grain Exchange; the Government has asked the Exehange to have some ehanges made and have been met by a eourteous treatment and all that had been asked for has been granted. The conferenee is ealled to deal with sueh other diffieulties as still remain." Mr. C. Stinson, Reeve of Wallaee, was eleeted Chairman and then the one-sided struggle began. As the discussion developed and Resolutions were presented it beeame clear that the large farmers' majority in the Convention looked with hostility and suspieion upon the management of the Grain Exehange; that the question was one, to their minds, of controlling that body and not of aeeepting its rules whether fair or otherwise. A Resolution was passed (under protest) as to the books of the Exehange being open to the inspeetion of the Minister of Agrieulture or his representative and then, on the passage of another motion declaring that no by-law, rule or regulation of the Exehange should be operative until approved by the Governor-in-Council, the grain dealers and

Exchange men withdrew in a body from the Convention. Further Resolutions were then passed as to privileges and numbers of membership in the Exchange, as to restriction of values and limitation of commissions, and dealing freely with existing vested rights.

There were several important developments in the Telephone situation following upon Mr. Howden's assumption of his new Department. On Apr. 3rd the Winnipeg City Council, at a special meeting attended by the new Minister of Telephones, declined to construct a dual system in Winnipeg and, after hearing Mr. Howden's statement that the Government would go ahead with construction, passed a Resolution asking it to do so. The Government was also requested in the Resolution "not to enter upon any street, lane or public place without conferring with the Council"—Mr. Mayor Ashdown pointing out the great inconvenience and loss that would accrue if the City pavements were torn up indiscriminately in the installation of a new conduit system. Two important statements were made by Mr. Howden, one to the effect that the Government had been trying to purchase the Bell system and had failed; and the other that he could not say what the rates would be, as the estimates submitted during the sitting of the Legislature were not very reliable. On June 5th Mr. Francis Dagger, the Government expert adviser in Telephone matters, told the Independent Telephone Convention at Chicago that matters were well under way in Manitoba for a complete system of public-owned and operated lines of 1,500 miles of pole route.

Following these incidents Mr. Howden visited Minneapolis, St. Louis, Kansas City, Indianapolis, Columbus and Cleveland in the United States, and Peterborough in Ontario, examining the working of their systems and automatic exchanges. Upon his return he announced, on May 15th, the intention of the Government to proceed at once with construction in Winnipeg and on Sept. 5th contracts were let for the erection of a handsome Exchange building and for 15 miles of subways. For the building the contract price was $97,172 and for the subways $83,000. Mr. Orrin F. French of Cleveland had, meanwhile, been appointed Chief Engineer of the Department and Mr. Dagger had retired from his position of Expert adviser. The assistant Engineer, it may be added, was W. G. Middleton, who had much United States experience to his credit, while the Secretary of the new Department was Mr. P. L. Leach. After this came further negotiations with the Bell Telephone Company—the difficult point being the effect of a sale upon the Company's business in Alberta and Saskatchewan. By the beginning of December, however, the Manitoba Government had spent about $200,000 upon the preliminaries of its system and little doubt remained as to the popularity of the public ownership policy in the other two Provinces.

It appeared that in March, after the elections, Mr. Roblin had written Mr. C. F. Size, President of the Company, in Montreal, stating that in view of the Government's policy and its approval

by the electorate it was proposed to go ahead with a Provincial system; but before entering into opposition with the Bell Company, he felt it right to make overtures as to their quitting the Province and transferring their lines to the Government. Mr. Size, in his reply, said that the Company had other interests than those in Manitoba and that, at the time, he was not prepared to take any steps in the matter. The Government then began the construction of its system throughout the Province with the erection of the Central Exchange in Winnipeg. Conduits were laid throughout a portion of the City and a great deal of work done in surveying throughout the Province and in securing a canvass of the municipalities so as to estimate the number of subscribers who would require the public system. The price per year finally offered by the Government was lower than that accorded by the Company. In December Mr. Size approached the Government, asked for a conference, and was in Winnipeg on the 18th of the month. In the press and elsewhere he stated the Company's price at $4,000,000 and, by the 22nd, after prolonged discussion, the final terms, price and conditions were understood to have been specified and arranged subject to an expert inspection and valuation of the plant and system. On the 1st of Jan., 1908, Mr. Roblin told the press that the Bell Telephone plant, business, supplies and equipment in Manitoba had been bought by the Government for $3,400,000, to be paid for in 40 years, with 4 per cent. debentures of the Province at par value.

An interesting personal incident during the year was the Hon. R. P. Roblin's visit and welcome to his old home at Picton, Ont. (June 12th), when a great reception was held in his honour concluding with a banquet at which he made certain comments of an Empire character which are quoted elsewhere and were widely discussed in the Eastern press of the time. His chief text was immigration and its dangers to British connection, if not properly controlled, but he took occasion, also, to reiterate his belief in the public ownership of utilities; to urge the importance of improved transportation; to declare that he had neither wish nor ambition to enter Dominion politics. On Oct. 31st the Boundary question was revived by a Winnipeg press interview with Mr. S. J. Jackson, Liberal M.P. for Stonewall, who said that only Sir Wilfrid Laurier's departure for the Colonial Conference prevented an enlargement of Manitoba at the past Session of Parliament. "The members for Manitoba discussed the Boundary question with the Prime Minister and it was practically arranged that Manitoba's territory should be extended northward along the frontier of Saskatchewan to the 60th parallel, and across to the Hudson's Bay; and southward to include Fort Churchill and the Churchill River, York Factory and the Nelson River; and land as far down as James Bay, whence a waterway would be followed to a point about 100 miles east of Rat Portage—leaving a substantial area on the eastern side of Keewatin to be annexed to Ontario. Manitoba will gain some 200,000 square miles or more and be of a larger

total area than Saskatchewan." The opening of Parliament saw a paragraph in the Speech from the Throne promising a measure for the extension of the boundaries of Manitoba and other Provinces.

Incidents of the year included the arrest on Feb. 28 of G. W. Wood of Winnipeg for "bucket-shop" practices and the theft of $1,000, with an information laid by Mr. J. J. Carrick of Port Arthur and a prosecution which was subsequently abandoned by the Attorney-General upon agreement by Wood to make full financial restitution and to leave the Province; the opening of a handsome new Opera House in Winnipeg, the Walker Theatre, on Feb. 18th by His Honour, the Lieut.-Governor, in presence of a representative gathering; the appointment of a Provincial Board of Health composed of R. M. Simpson, M.D., J. M. Eaton, M.D., J. A. Macdonald, M.D., F. L. Schaffner, M.D., and Gordon Bell, M.D.; the decision of the Provincial Government to enforce the law as to flying the flag over school-houses in the case of Mennonites, as of all others, and the consequent loss of their grant if they continued to show indifference to the law in this matter; the transfer of 367,415 acres of swamp lands during the year to Manitoba by the Dominion Government; the retirement of Mr. J. W. Scallion of Virden from what was popularly called the Beef Commission, on account, perhaps, of his attitude toward the Government during the elections, and the appointment of A. M. Campbell as his successor.

Other events of 1907 included the celebration, on July 30, of Archbishop Langevin's Silver Jubilee in the priesthood of his Church; a Federal sale of School lands in the Province, totalling some 80,000 acres, at an average of $10.46 per acre, and realizing for the future use of Manitoba schools (under Dominion control) about $900,000; the unveiling by Lady Schultz, on June 29th, of a Memorial window in Holy Trinity Church in honour of the late Sir John Schultz, a pioneer, patriot, and statesman of the West; the banquet given the Hon. James Johnson, Speaker of the Legislature, by his constituents (Nov. 26) in honour of his tenth year in the Assembly and shared in by the Premier, Hon. J. H. Agnew and Hon. G. R. Coldwell; the plan presented by Mr. Agnew, Provincial Treasurer, to the Union of Manitoba Municipalities looking to the organization of a system of Government Hail Insurance for the Province and based upon a contract by the Government to pay a limit of $4.00 for each acre of growing crops insured with a payment by each applicant of 18 cents per acre and an application fee of 50 cents.

Proceedings of the Manitoba Legislature in 1907

The 4th and last Session of the eleventh Legislature was opened on Jan. 3rd by the Lieut.-Governor, Sir D. H. McMillan, with a Speech from the Throne in the course of which he congratulated the Province upon the prosperity of the past year; referred to the Inter-Provincial Conference proceed-

ings and the expected favourable action of the Dominion Government as to its Subsidy requests; mentioned the establishment of the Manitoba Agricultural College with gratification and hoped that its work would soon be extended so as to include the instruction of young women in domestic science; intimated the coming construction by the Government of at least 1,000 miles of long-distance telephone lines; referred to the increasing population and the necessity of some changes in electoral boundaries and representation; expressed gratification at the redundancy of the revenue and the Government's consequent ability to continue liberal grants toward education, municipal improvements, etc., besides maintaining public institutions at a high standard of efficiency; promised amendments to the Public School Act with provisions for the flying of the Union Jack upon the school-houses of the Province; stated that his Government had been continuing its pressure upon the Federal authorities to do the Province justice in the matter of Boundary extension but, so far, unsuccessfully; and added that strong protests had been made as to the methods, delays, and costs in selecting the swamp-lands that properly belonged to the Province under the agreement made between the Dominion and the Province in 1885.

The Address was moved by George H. Ashdown, the new member for Morden, and seconded by Glen Campbell of Gilbert Plains. The latter was most energetic in his protest against recent Federal enactments which increased the dues for cutting timber to $3.00 per 1,000 feet and limited the quantity to 10,000 feet. Mr. C. J. Mickle, for the Opposition, followed on the 8th in a general censure of the Provincial Government. Its official crop report was described as too late to be of service; its boasted railway facilities were not sufficient to move the grain and the operation of the Railways was inefficient; its co-operation had not been given the Federal authorities in respect to Seed-grain distribution and the Royal Grain Commission; its immigration literature and general policy in that respect were poor; it had done nothing to prevent the farmers' grain being tied up in elevators; its land system was bad, the selling of large tracts to one company, or one person, not desirable and the prices received too low.

In his reply the Hon. R. P. Roblin was sarcastic and sometimes slashing in his arguments. He declared that the Government would continue its encouragement of railway construction until every part of the Province was supplied with lines; that the mortgage security given by the Canadian Northern Railway for the Government guarantee was ample and effective; that the Provincial system of collecting grain statistics was the best on the continent and supplied by reliable correspondents from all the districts; that the Swamp-lands could not realize the high prices of certain other lands because they had to be two-thirds submerged by water in the summer season before the Province could

even claim them; that 700,000 acres of these lands were still being improperly held back by the Federal authorities who continued to treat Provincial representations with contempt; that the Opposition, instead of helping, by support of the flag policy in the making of an homogeneous people, was deliberately striving to stir up rural school trustees against the patriotic proposals of the Government; that the flag need not be flown on a stormy day and that the criticism along that line was entirely baseless.

On Jan. 9th Mr. Hugh Armstrong complained at length about Federal monopoly licenses being granted to fish in waters such as James Bay, the Athabasca and Lesser Slave Lakes, the Nelson River, Seven Lakes, and other bodies specified. These licenses cost a nominal sum of $10 or $100 a year to friends of the Dominion Government and the privileges, he said, were then sold for large sums or held for future railway connection to make valuable. Speaking on the 10th Mr. David Jackson, known as the Temperance member, quoted with expressed alarm the following Provincial figures: "In 1900 there were 627 convictions from 171 licenses; in 1901, 702 from 188 licenses; in 1902, 823 from 194 (the convictions were for Winnipeg alone and the licenses for the whole Province); in 1903, 1,217 from 227; in 1904, 2,741 from 246 licenses; and in 1905, 2,740 convictions from 252 licenses." The flag legislation and general Educational policy of the Government were dealt with by Hon. C. H. Campbell in proposing the 2nd reading of the Government amendments to the School Act on Jan. 14th. The Minister first dealt with the flag matter, pointed to the peculiar national problems existing in the West and to the example of the United States in making incoming settlers familiar with the flag of their new country. "In Manitoba the responsibility of acting rests upon us. When we remember that 40 per cent. of the people living west of Lake Superior come from foreign lands, countries that perhaps are either hostile or jealous of the British nation, we describe a situation that calls for wise and thoughtful action."

The compulsory flying of flags, the compulsory lessons in history and patriotism, the compulsory teaching about the flag, had met with good results in the United States. In Canada British subjects had a greater flag and a greater heritage and should not hesitate to make the subject a matter of education. As to the proposed legislation there was no real compulsion in it. It may be added that the Bill provided for the erection of a suitable flag pole, and the use of a "national British flag" during school hours at every school-house in the Province; that it excepted such times of inclement weather or storm as would injure the flag, when it could be hung on the walls inside; that it made the teacher responsible for the carrying out of these instructions subject to loss of his certificate; that it also established the penalty of a loss of the Government grant; that punishment was provided for any wilful

injury to the flag. Mr. Campbell proceeded to speak of co-operation with the Federal authorities in the establishment of technical education facilities; to describe the present status of the University of Manitoba and its affairs as unsatisfactory; to deal with the School lands and funds held in trust by the Dominion for the Province and to state that if the Dominion would invest $100,000 of these moneys per annum in Manitoba school debentures at from 5 to 6 per cent. (instead of the present interest of 3 per cent.) the Provincial Government would grant out of current revenues $75,000 a year to the University and give $250,000 toward the construction of a new building.

The Minister also dealt at length with the question of compulsory education which was made so difficult in Manitoba by considerations of sparse settlement, climatic complications, constitutional limitations and, he might have added, sectarian feelings. The point for immediate consideration was the constitutional one and as to this he was explicit: "We believe it is advisable, first of all, to submit the question to some eminent constitutional authority or authorities, and ascertain from him or them, as far as they can judge, an opinion on the legal and constitutional issues involved and anticipated by Messrs. Sifton and Martin in 1890, and if they so advise, or are doubtful of its effect upon the Public School Act of 1890, we have an Act, being Chapter 33 of the Revised Statutes of Manitoba, which provides for a reference to the Courts by which such questions can be determined." Mr. Horace Chevrier replied to Mr. Campbell on the following day in a sarcastic speech in which he said that "in Russia they make people loyal by force and in Manitoba by fines"; objected to the idea of "dragooning" a people about flags who were perfectly loyal already and described the Government policy as "Czarlike"; declared that Great Britain would have nothing to do with such proceedings though there were more foreigners in London than in Manitoba; called the Technical education reference "mere vapour," the compulsory education conclusion as irrelevant and the Government cowardly in not bringing in a Bill and letting the Courts test its validity afterwards; described the Minister as making the University and its friends mere pawns in a party fight against Ottawa and its Government.

On Jan. 16th the Hon. J. H. Agnew delivered his third Budget speech and was able to show the greatest surplus of Provincial record. He also dealt at length with the financial history of the Government. During the seven years of Conservative administration the surplus had grown as follows: in 1900, $11,056; 1901, $49,444; 1902, $289,686; 1903, $148,777; 1904, $249,358; 1905, $465,123; 1906, $518,399; or a total of $1,731,846. Of this sum $835,087 had been expended on public buildings and there was now cash in hand totalling $812,760. As to the use to which these increasing revenues had been put the Treasurer stated that in 1899, the last year of the Greenway Govern-

ment, $253,378 had been granted to Education, Agriculture, Hospitals and Municipalities; that in 1906 the amount was $564,456; that in the five years, 1895-9, the total had been $1,333,-872 or one-fourth of all the expenditure; that in the five years, 1902-6, the total was $2,435,873; or one-third of the expenditures. He compared the Railway policy of the Greenway and Roblin Governments with the following reference to present conditions and policy: "The first benefit that the Province receives from the Canadian Northern Railway is an absolute control of rates. A prominent railway man, who is in a position to know, has stated that the receipts of the railway companies would be greater by $2,000,000 per year but for the concessions wrung from them by the Government. This is an annual and continuing benefit. Besides this, by the agreement made with the Railway company, the exemption of taxes granted by the Greenway Administration, although this exemption had not expired, has been done away with and abrogated, and during the past year the Province received from the Canadian Northern, under the provisions of the Railway Taxation Act, the sum of $10,698.30." The taxation of railways in 1900 and 1906 had grown from $16,000 to $84,000 and totalled $321,871; the taxation of corporations had increased from $14,000 to $74,000 and totalled $305,269.

Reviewing the matter of swamp-lands Mr. Agnew pointed out that in 1885 the "better terms" arrangement of that year had included the transfer of all Dominion lands in the Province, shown to be swamp-lands, to the Government; since then the total area examined had been 4,021,253 acres, the area found to be swamp-lands 2,051,165 acres, the area actually transferred 1,282,680 acres. As to License conditions he said: "In 1899 there was one retail license to each 1,352 people. In 1906 there was one retail license to each 1,650 people and, besides that fact, 98 per cent. of the area of the City of Winnipeg and nearly one-third of the population of the Province, were brought under the strictest kind of total prohibition, so far as the liquor trade was concerned. Then again, a license in 1899, under the Greenway Government, cost an average of $196. A license in 1906, under the Roblin Government, cost an average of $414." The Treasurer estimated his ordinary revenue for the calendar year 1907 at $2,047,497 and his expenditures against this as $1,802,936. The assets of the Province on Dec. 31, 1906, were placed at $50,299,550 of which $3,980,943 was in Dominion Government capital account, $1,678,-581 in Public buildings, $4,396,046 in deferred payments and unsold Provincial lands, $2,386,467 in swamp-lands examined and accruing to the Province at $3.00 an acre, $16,076,503 in swamp-lands not yet examined but estimated at 5,358,834 acres, and $20,982,646 in Trust assets held and controlled by the Dominion Government under the designation of School lands. The direct liabilities were Provincial deben-

tures totalling $4,048,973; the indirect liabilities included the Canadian Northern guarantees which, however, were covered by mortgages on the Railway itself. The chief items of revenue and expenditures in the year ending Dec. 31st, 1906, were as follows:

Receipts of all Kinds.	
Dominion Subsidy	$ 615,222 26
School Lands	76,212 36
Fines, Fees and Licenses	314,005 83
Liquor Licenses	92,717 49
Interest	69,512 59
Provincial Lands	543,788 98
Care of Insane, etc.	111,191 18
Succession Duties	71,310 15
Corporation Tax	74,416 20
Railway Tax	84,370 48
Trust Accounts	437,629 42
Sundries	36,904 55
Drainage Interest Account	102,943 78
	$2,630,225 27

Expenditure.	
Sundries	$ 3,553 99
Legislation	66,696 94
Executive Council	25,279 80
Treasury Department	266,694 96
Provincial Secretary's Department	8,847 70
Department of Education	303,728 38
Department of Agriculture and Immigration	205,961 38
Attorney-General's Department	290,133 95
Provincial Lands Department	16,630 54
Department of Public Works	385,163 40
Drainage Interest Account	108,192 06
Trust Account	580,517 42
On Capital Account	281,888 74
	$2,543,289 26

On the 17th Mr. C. J. Mickle reviewed and criticized this deliverance from the Opposition point of view. He declared that the Government was enjoying the fruits of preceding Liberal policy and legislation; that it had fallen upon a period of financial fatness and left the lean years behind; that in the days of Liberal rule the Dominion subsidy was smaller, the population less, the revenues thin; that the Government was dissipating assets and selling public lands without paying debts; that the total expenditure had doubled since 1899, rising from $972,000 to $1,854,000; that in the last five years of the Greenway Government the total expenditure was $4,092,755 and in the past 5 years of Conservative rule $6,753,274. The Opposition leader (Mr. Mickle was called the "inside" leader in Conservative circles at this time and Mr. Brown the "outside" leader) declared that the time had come to increase the grant to the primary schools; criticized the attendance at these schools in many parts of the Province and regretted the non-introduction of legislation imposing compulsory attendance; drew attention to the increase of licenses from 167 in 1899 to 252 in 1905 and to considerably more in 1906, and pointed out that this increase was concurrent with a decrease in the area open to licenses. Mr. Chevrier discussed the Budget on Jan. 24th and his motion expressing regret at "the large and steady increase in expenditures" was defeated by 25 to 7, the normal Opposition vote.

The Redistribution Bill was introduced by the Hon. C. H. Campbell, Attorney-General, on Jan. 21st. By its terms Winnipeg was given an additional member and its electoral divisions re-arranged while the constituencies of Gimli, Rockwood, Dauphin, Gilbert Plains and Swan River were also altered. In Winnipeg, where the population was, roughly, 100,000, the constituencies

were given as nearly as possible 25,000 eaeh. The measure passed in due course though the Opposition elaimed that Winnipeg should have had five members. Following this Mr. W. Lagimodiere devoted a long speeeh to the Lands' policy of the Government and espeeially denouneed the sale of large bloeks to, as he termed them, speeulators. Some of his figures of sales were as follows: H. P. Simpson, 10,000 aeres; J. M. Savage, 14,000; Northwest Investment Company, 6,000; B. R. Hamilton and H. F. Forrest, 41,000; H. E. Phares, 13,000; Heath Jaekson, 8,000; R. Ridd, 6,000, and W. Riehardson, 80,000. The subjeet of car shortage and grain elevators was also diseussed at length with an able speech by J. W. Robson and a statement by Hon. R. Rogers that while the Government exereised eontrol of rates on the Canadian Northern and had provided by the guarantee of bonds for an adequate rolling stoek some years before, yet it eould not actually manage the Railway, or be responsible for more than was eontraeted for, or take it from the hands of the Railway Commission under whose jurisdietion it was. A Resolution was passed in favour of the Railway Commission enforeing Reeiproeal demurrage and preventing discrimination in the distribution of ears. A Resolution in eonneetion with the Boundary question was presented by Hon. Robert Rogers, on Jan. 23rd, in an elaborate speeeh reviewing the history of the question and the present situation. It earried by a unanimous vote—the Opposition losing by 19 to 4 an amendment proposing to eliminate the hostile Federal referenees, and asking for extension "northward and easterly to eomprise all the territory hitherto embraeed in the Distriet of Keewatin." The Resolution endorsed the various steps taken by the Provineial Government and continued as follows:

> That this House deeply regrets that, notwithstanding repeated unanimous requests for an equitable extension of the boundaries of the Province to Hudson's Bay, no legislation has been submitted by the Government of Canada to the Dominion Parliament for the purpose of giving effect thereto; that this House strongly protests against the unjustifiable delay on the part of the Federal authorities respecting the premises; that this House strongly resents the action of the Federal Government in arbitrarily and without Parliamentary authority detaching Keewatin from the jurisdiction of Manitoba and intruding other contiguous Provinces into the consideration of the claims of Manitoba for an extension of limits to Hudson's Bay and can only regard these steps as prejudicial to the rights and interests of this Province.

On Jan. 24th the Attorney-General earried through the House the 2nd readings of his amended Telephone legislation. The first measure added to the Aet a elause authorizing the Government (or the Munieipality itself) to construet and operate a loeal telephone system in any munieipality of the Province, with or without a petition of the ratepayers to the Government, provided that the vote in Deeember, 1906, in favour of the Telephone poliey,

was at least 60 per cent. of the qualified ratepayers; and authorizing the Government in municipalities where the By-laws of December had not so carried to submit them again and, in the event of their being carried, to construct and operate a telephone system if the municipalities concerned fail to do so. The second measure provided for the placing of rural and local systems in connection with other municipalities subject to mutual agreement to terms prescribed by the Government Commissioners. Mr. Campbell's speech contained an elaborate analysis and criticism of the Telephone policy, opinions and statements of the Opposition leader—Mr. Edward Brown.

On Feb. 6th the Premier moved the 2nd reading of his Bill providing for the construction of Canadian Northern lines from or near Neepawa in a westerly direction to the Provincial boundaries, from or near Virden north for 20 miles, and from Dundee 15 miles to or near Tyndall; with a Government bond guarantee of $10,000 per mile. The Opposition talked of the disorganized state of existing lines and the alleged depreciation of C.N.R. rolling stock as a security. Some important amendments were made to the Municipal Act toward the close of the Session. One provided for the right of all persons, male or female, of British birth or naturalization and over 21 years of age, to vote at municipal elections subject to assessment as freeholders; and another permitted Municipal Councils to pass by-laws "for borrowing money for the purpose of erecting coal and wood sheds of such capacity as they shall deem necessary and sufficient for the purpose of storing such amount of coal and wood as will be required for the actual use of the residents of such municipality for one year at a time, and for the purchase of the necessary land whereon to erect such coal and wood sheds."

Amongst the Resolutions approved during the Session was that of Mr. Glen Campbell appointing a Committee to prepare a Memorial to the Federal Parliament setting forth the oppressive, severe and inconvenient character of timber-cutting regulations then in force; that of Dr. S. W. McInnis declaring that "this House is of the opinion that disputes or differences between employer and employee respecting duration of daily labour, the remuneration therefor, and, generally, the terms and conditions of engagement, should in all cases where the employment is with respect to some public utility, be settled by compulsory arbitration and be made mutually optional in cases where the industry, enterprise or business affected is of a private character"; that of the same member urging the Government to adopt a "fair wage" in all Government contracts; that declaring the grant of any exclusive shooting privileges over any public lands to be against public policy. The House was prorogued by the Lieut.-Governor on Feb. 13th.

The Manitoba Government and the General Elections

The Conservative Government of the Hon. R. P. Roblin entered upon the general elections of 1907 with a good deal of confidence in the result. The times were prosperous, population growing and business expanding; the Government had the *prestige* of a large majority in the House which had not been impaired in bye-elections; it had made railway bargains which resulted in putting a net-work of roads throughout the Province and obtaining lower rates for the public; it had the valuable element of a good, strong grievance against the Ottawa Government in the Boundary matter; it had a considerable surplus to its yearly credit and a record of reasonably good general administration; it had a popular policy in the Government ownership of telephones and its supporters were able to promise a telephone in every farm-house of the Province. There were also elements of weakness, but of these anon. During the autumn of 1906 preparations had been made and the campaign was, in fact, well under way when the House was dissolved on Feb. 16th with nominations fixed for the 28th and polling day for Mar. 7th.

Under date of Feb. 16th Mr. Roblin issued a manifesto in the form of an Address to his electors in Dufferin and in this document reviewed the policy of the Government in the past and intimated something of its policy in the future. As to the first point: "Abnormal development has replaced stagnation, confidence has taken the place of unrest and disquietude; huge annual deficits have been changed to large surpluses, and transportation facilities, at largely reduced rates, have been provided in almost all portions of the Province; municipalities, instead of being practically starved, as formerly, have been fostered and assisted; new and necessary public buildings have been erected, the capacity of the several public institutions to meet growing requirements have been materially supplemented; grants to hospitals, charities, agricultural societies, farmers' institutes and other similar objects have been increased threefold; school grants have been substantially added to, and in various other ways the needs and necessities of a thriving and growing Province have received thoughtful attention; and all has been accomplished while maintaining the administration of affairs at a high standard of efficiency." The Premier went on to express great pride in the Government's railway accomplishment in providing an independent outlet for the commodities of the Province and the construction of over a thousand miles of new lines without the expenditure of a single dollar of Provincial money and with an absolute control of rates. He estimated the annual saving in rates alone to the people at $2,000,000.

Mr. Roblin referred briefly to the Government's policy of flying a British flag over the school-houses, as wise and patriotic, and calculated to help in blending the various nationalities of the

settlers into one common citizenship; he charged the Dominion Government with "gross unfairness" in its administration of the Swamp-lands which, it was estimated in 1884, would give the Province about ten million acres, whereas in the succeeding 23 years Manitoba had only received 1,250,000 acres; he claimed to the credit of his Administration the giving of "a fair Election Act" to the Province and the people, described the franchise as respected and protected, proclaimed it to be now impossible, as formerly, to rob any man of this most sacred right, or to perpetuate the alleged outrages at the last Dominion elections whereby thousands of Manitoban names were struck off the Lists of electors by, or at the bidding of Federal henchmen, who were "afterwards rewarded by places of emolument within the gift of the Crown." The Premier also claimed credit for increasing the revenue by a taxation of railways and corporations; for devoting the proceeds to the assistance of various municipalities in the construction of roads, bridges and drainage works; for erecting and equipping an Agricultural College; for a Telephone policy which involved the public construction, ownership and operation of a Government system; for continued opposition to a Federal policy calculated to make and keep Manitoba the "postage-stamp Province" of the Dominion. Upon this latter subject of the Boundary Mr. Roblin was explicit as being, in his opinion, the paramount issue of the Election:

> The question is one above party considerations and ambitions, and calls for immediate and patriotic action. The request for enlargement has been incessant for many years; has been admitted to be a reasonable one, and yet it is unheeded, and obstacles are placed in the way of its consummation by the Ottawa authorities, and devices and trickery are employed to that end. Other Provinces are invited to lay claims to the territory to which Manitoba is entitled. The Province of Saskatchewan has even been promised all the Keewatin territory north of the Nelson River. Ontario claims the inclusion of a large tract of territory on the other side, and the intention appears to be to toss to Manitoba the remaining fragments, if any, and to shut it out from a port on Hudson's Bay. The Ottawa authorities have violated all fundamental rules and principles regarding the application of Manitoba for enlargement and I impeach them before the bar of public opinion. I charge them with designedly depriving Manitoba of that to which it is entitled, with barring the way to its further growth and development, with despotism and deceit.

Speaking at Manitou, the day before this Manifesto appeared, the Hon. Robert Rogers, the always-vigorous Minister of Public Works, presented a history of the affair in its recent developments.* "Two years ago, when the Provinces of Saskatchewan and Alberta were being formed, the Government of which I have the honour to be a member sent a delegation to Ottawa to press upon the Federal Government the claims of Manitoba for an addition to her area. We were told by Sir Wilfrid Laurier that it was

*Note—See Manitoba section in the *Canadian Annual Review* for 1906.

definitely decided that we could not extend westward. We then claimed the northerly portion lying between the extreme north-westerly corner of Manitoba and the 60th parallel and extending eastward to the Hudson's Bay and the westerly boundary of Ontario. Sir Wilfrid told us that a large portion was to be included in Saskatchewan, but as a result of our protest we found, four days later, when he brought down the Autonomy Bills that he had left this portion over for future disposal and we were subsequently invited to go to Ottawa and press our claims for it, and what do you suppose we found—that Sir Wilfrid had invited Ontario and Saskatchewan to meet with us and compel us to enter into a contest with them for what was rightfully ours, the Premier of Ontario admitting that he was present only because of Sir Wilfrid's invitation and Premier Scott of Saskatchewan declaring that the sole basis of his visit was because of a secret pledge given by Sir Wilfrid, in the room in which our conference was going on, that when the time came to dispose of the territory it would be given to Saskatchewan. That is where Sir Wilfrid Laurier was on Nov. 12th, 1906, and to this day we have not a single note of encouragement, not a ray of hope, from the Government at Ottawa."

Mr. Rogers presented here and elsewhere most effectual outline maps of Manitoba as it was—with an area of 73,732 square miles; as it would be under conditions which the Federal Government were willing to grant—with an area of 95,000 square miles; as it would be under the claims presented by, and said to be acceptable to, the Manitoba Liberals—with an area of 156,273 square miles; as it should be under the contentions of the Roblin Government—with an area of 386,732 square miles. At Brandon, on Nov. 21st, Mr. Rogers denied certain statements in the Opposition leader's Address to the Province and offered Mr. Brown the challenge that if the Manitoba Government had not received more for its public lands than had the Dominion Government he would resign his seat and give $1,000 to the Brandon General Hospital. At Swan Lake, on Mar. 4, Mr. Rogers created a discussion wider than his Province by referring to certain statements made by the Rev. Dr. C. W. Gordon ("Ralph Connor"), in criticism of the Government, as being "cowardly and dishonest" and as instigated by a desire to advertise and sell his "silly novels." Mr. Rogers spoke at many other points but these were probably his most notable addresses.

The head and front of the campaign was, however, the Prime Minister. He spoke in Winnipeg at the nominations of J. T. Gordon and T. W. Taylor on Feb. 7th and Feb. 11th; at St. Boniface on the 20th he spoke briefly in support of Joseph Bernier, who was destined to defeat the recent member—Horace Chevrier; on Feb. 21st he addressed a great mass meeting of his own electors at Carman. In this speech he described the Liberal leader (Mr. Edward Brown) as without experience or Parliamentary qualifica-

tion; denounced the Liberal platform as a "flimsy, slip-shod, expressionless and meaningless document," without a single clause indicating progressive government, containing no new ideas or calculated to in any way develop the industries or resources of the Province; described his own Government's financial policy "which had resulted in a plethoric treasury, ever-increasing surpluses, commercial confidence, financial buoyancy, increased farm and real estate values, and better Provincial credit—all due to a re-organized system and new methods of taxation under which the receipts from railways alone would probably equal $500,000 in a few years. He stated that in view of the influx of foreign settlers the Government proposed to influence and train the plastic minds of the young in the direction of a common loyalty and allegiance by having the Union Jack daily hoisted over the school-houses of the Province. The Liberals had opposed this policy as far as they dared: "Mr. Brown sent out letters to the Grit papers of the country, asking them to get an expression of disapproval from the Trustees in regard to this matter, then make editorial comment on it, and then send it to the *Free Press* and that paper, in turn, would print it on the front page and comment editorially." The Government had made the Voters' Lists absolutely clean and 20,000 voters had recently been registered in Winnipeg without a word of Liberal criticism as to methods or operations.

Mr. Roblin made a lengthy reference to the Boundary issue which he again described as the vital one of the contest; declared that Mr. Brown and the Liberal party Convention in 1906* by expressing approval of Sir Wilfrid Laurier's Administration and of a proposed boundary extension so as to acquire Keewatin had proved a conspiracy to deprive the Province of all the great tract of land on the north, and on to Hudson's Bay, which rightfully belongs to it. He concluded with a sarcastic attack upon the Dominion Government in the North Atlantic Trading Company and *Arctic* scandals and a reference to Mr. Brown's assumed approval of these matters. Mr. Sanford Evans of Winnipeg followed in an elaborate review of the situation. The Premier spoke at Portage la Prairie on Feb. 28th and a pivotal point in the contest was indicated in the concluding request to "roll up such a majority as would send dismay and consternation into the hearts of the Government at Ottawa." At a political demonstration in Winnipeg on Feb. 26th, with A. J. Andrews, J. T. Gordon, J. A. M. Aikins, K.C., Thomas Sharpe and T. W. Taylor amongst the other speakers, and W. Sanford Evans as Chairman, the Premier made another of his aggressive, forceful, fighting speeches. In dealing with the charge that the Government would not, while the Opposition would, enact compulsory education (opposed by the Roman Catholics) he described Mr. Brown as inexperienced and quoted the one-time

*Note—See Manitoba sub-section in *Canadian Annual Review* for 1906.

Liberal Attorney-General J. D. Cameron, K.C., as to the legal and constitutional difficulties in the way. Moreover it would revive the Separate School question. "I will never be a party to starting such fires of antagonism as burned from 1890 to 1896. Mr. Brown comes in and is willing again to set the prairies on fire with his incendiarism and to put an end to good-will and brotherly love. If you want another School question vote for Mr. Brown, for his reference means the re-opening of the School question."

At Hartney, on Mar. 1st, Mr. Roblin criticized severely a speech of the Opposition leader's at Brandon in which he had admitted that the portion of the 1906 platform of his party dealing with the Boundary question was "loosely drawn." As to his charge of a conspiracy in what he again described as the vital and insistent issue before the people, the Premier repeated his statement as to the Federal attitude: "I never stated that they had a formal agreement as a Government. What I charged was, and I repeat it and I challenge the Prime Minister of Canada, who has now chosen to further demonstrate his hostility to this Province, to deny that Mr. Walter Scott said, in the presence of Hon. Mr. Whitney and the other members of the conference, that when the eastern boundaries of Saskatchewan were accepted they had an assurance from the Government, secret and clandestine undoubtedly, that when this territory north of Manitoba was being dealt with, Saskatchewan would have it allotted to her." He also declared that Mr. Brown had gone to Ottawa and advised the Prime Minister, then, as to his course in the Boundary matter.

Meanwhile the Grain Growers' issue was early interjected into the campaign, through the demands of the Grain Growers' Grain Company of which Mr. E. A. Partridge was President and which represented the requirements of some 1,600 farmers, and in a general way of the Grain Growers' Association of Manitoba, upon the Grain Exchange at Winnipeg. The agitation developed and, at the instigation of the Government, a conference of the several interests was arranged and then postponed till after the Elections. The Liberals were quick to see a chance of prejudicing the farmers against the Government in a question which involved vested rights on the one hand and the popular demands of a large class in the community on the other. At Killarney on Mar. 3rd the Premier reviewed the Government's policy in this connection; dealt with the projected conference of all the interests concerned; and reiterated the following pledge as already given in the late Legislature: "This conference which is to be held will make recommendations and I say the Government will carry out the recommendations that the conference makes. I say now that we will carry out that portion of their recommendations that lies within the jurisdiction of the Legislature of Manitoba." During this meeting a telegram was read addressed by D. B. McKinnon of Mather, on Mar. 2nd, to

the President of the Grain Growers' Association (D. W. McCuaig) asking if the Government had "acted fairly in your estimation with the Grain Growers" and the reply signed by Mr. McCuaig: "Yes, the Government has acted fairly with the Grain Growers." At Oakville, on Mar. 5th, Mr. McCuaig made a public and detailed statement as to what he termed the sympathetic attitude of the Government in the prolonged negotiations in this respect.

Another development of the campaign was the ever-present Liquor or Temperance question. The Government's license policy had evoked the opposition of a number of prohibitionist Ministers and when the elections came on the Rev. Dr. C. W. Gordon, Rev. Dr. S. G. Bland and Prof. W. F. Osborne of Wesley College were notable in their antagonism to the Administration. Their denunciations were met by some pretty severe personalities on the part of Messrs. Roblin and Rogers and by a carefully sustained argument—legal and constitutional—presented by J. A. M. Aikins, K.C., at the Winnipeg meeting of Feb. 26th, at Virden on the 27th, and elsewhere. Mr. Aikins' strongest point was the reading from the Statutes of 1904, and of succeeding years, a host of changes in legislation which, he claimed, made for license restriction and Temperance reform. Amongst these were the following provisions: (1) Abolishing restaurant licenses in cities; (2) provision that no firm or corporation shall be entitled to hold more than one hotel license in any town or village; (3) no wholesale license to be granted in a rural municipality; (4) window to be placed in every bar-room to permit full view of same from the outside; (5) after conviction of licensee no license to be issued for two years to any relative of licensee in any way connected with the business; (6) in the City of Winnipeg every licensed hotel required, after 31st May, 1905, to have at least 50 bedrooms properly furnished for guests where, previously, the requirement was only 15 bedrooms; (7) number of licenses limited to one for every 1,200 in Winnipeg and, in other cities and incorporated towns, two for the first 500 and one for each additional 600; (8) free lunches in bars forbidden; (9) brewers required to take out licenses; (10) no place where liquor is sold to be connected with a brewery; (11) area in which licenses may be granted in Winnipeg largely reduced; (12) billiard and pool-rooms in connection with licensed premises required to close at times provided by municipal by-laws and boys under age of 18 years prohibited from frequenting same.

Other Conservative incidents of the campaign must be hastily dealt with. A strong point was made against the Opposition Leader in the charge that he had on Jan. 18th, 1905, asked from Parliament at Ottawa, and later on had received, a charter authorizing the construction and operation of telephone lines throughout Ontario, Manitoba and the North-West Territories by the North-West Telephone Company. Though never utilized this charter

was held up as proving Mr. Brown's present advocacy of Public ownership to be rather a sudden change. Mr. Hugh John Macdonald, K.C., took some part in the campaign and his personal popularity helped, as it always did, the party in which he was born and bred. He spoke briefly at Winnipeg on Feb. 7th and again on the 11th. The Hon. Colin H. Campbell, Attorney-General, and Hon. J. H. Agnew, Provincial Treasurer, made several effective speeches but the former was given a pretty close run in his own constituency; a Resolution passed by the Executive of the Union of Manitoba Municipalities on Jan. 9th was made to do strong service in defence of the Government's Telephone policy. It tendered the thanks of the Executive to the Provincial Government "for its action in giving practical effect to the representations of the Union, thereby according recognition of the paramount importance of municipal rights in regard to the ownership and control of public utilities," and placed on record "its satisfaction with and approval of the further recognition of the rights of the Municipalities in affording the people an opportunity of voting upon the question of municipal ownership of telephone systems."

On Mar. 7th the result of the contest showed a majority of at least 15 for the Government—25 Conservatives, 12 Liberals, one in doubt, and two remote constituencies where the election was to be held later on. Mr. Edward Brown, the Liberal Leader, was defeated in Portage la Prairie by the popular local member in the late House—Hugh Armstrong; the Hon. D. H. McFadden, Provincial Secretary, and a prominent Orangemen, was defeated in Emerson, which he had represented for 16 years, by a considerable majority; Horace Chevrier, probably the ablest Liberal speaker in the late Assembly, was beaten in St. Boniface though C. J. Mickle, his leader in that House (superseded outside by Mr. Brown) was re-elected; T. C. Norris, an active member of a previous House, was also elected; Winnipeg gave substantial majorities to three Conservatives but a Liberal defeated ex-Mayor Thomas Sharpe in the western division of the city; the only Labour candidate, Kempton McKim in West Winnipeg, lost his deposit; the Hon. C. H. Campbell finally held his seat in Morris by the casting vote of the returning officer on a recount; R. L. Richardson, the one-time Liberal, more recently an Independent, and during the contest a bitter opponent of the Government personally, and in his paper the Winnipeg *Tribune*, was beaten in Killarney. The following was the result of the contest—the successful candidate being given in italics.

Constituency.	Conservative.	Opposition.
Arthur	A. M. Lyle	*John Williams.*
Assiniboia	*Aimé Benard*	J. Prefontaine.
Avondale	*James Argue*	Henry Hill.
Beautiful Plains	*J. H. Howden*	A. Dunlop.
Birtle	T. W. Thompson	*C. J. Mickle.*

Constituency.	Conservative.	Opposition.
Brandon	*S. W. McInnis*	J. W. Fleming.
Carillon	*A. Prefontaine*	Dr. Gervais.
Cypress	*George Steel*	A. Forbes.
Dauphin	J. G. Harvey	*J. A. Campbell.*
Deloraine	Edward Briggs	*R. S. Thornton.*
Dufferin	*Hon. R. P. Roblin*	E. A. August.
Emerson	Hon. D. H. McFadden	*George Walton.*
Gimli	B. L. Baldwinson	*Mr. Jonasson.*
Gladstone	David Wilson	*Dr. Armstrong.*
Hamiota	*William Ferguson*	M. B. Jackson.
Kildonan	*Dr. Orton Grain*	M. J. O'Donohoe.
Killarney	*George Lawrence*	R. L. Richardson.
Lakeside	*E. D. Lynch*	P. D. McArthur.
Lansdowne	Dr. H. E. Hicks	*T. C. Norris.*
La Verandrye	*J. B. Lauzon*	W. Lagimodiere.
Manitou	*Hon. R. Rogers*	G. E. Davidson.
Minnedosa	*W. B. Waddell*	E. W. Pearson.
Morden	George Ashdown	*Dr. R. J. McConnell.*
Morris	*Hon. C. H. Campbell*	Dr. J. P. Molloy.
Mountain	D. A. McIntyre	*J. B. Baird.*
Norfolk	*R. F. Lyons*	William Walker.
Portage la Prairie	*H. Armstrong*	Edward Brown.
Rhineland	C. Bergmann	*V. Winkler.*
Rockwood	*Isaac Riley*	Ira Stratton.
Russell	A. L. Bonnycastle	*T. A. Wright.*
St. Boniface	*Joseph Bernier*	H. Chevrier.
South Brandon	*A. H. Carroll*	J. M. Ruddick.
Springfield	John Little	*D. A. Ross.*
Swan River	*J. W. Robson*	J. P. Jones.
Turtle Mountain	*Hon. James Johnson*	J. Morrow.
Virden	*Hon. J. H. Agnew*	J. G. Rattray.
Winnipeg Centre	*T. W. Taylor*	Dr. D. A. McArthur.
Winnipeg North	*J. F. Mitchell*	Alex. Macdonald.
Winnipeg South	*J. T. Gordon*	B. E. Chaffey.
Winnipeg West	Thomas Sharpe	*T. H. Johnson.*

Speaking to the election-night crowd at Winnipeg Hon. R. P. Roblin denounced in the plainest and strongest terms the intervention of certain clergy in the contest and declared again that the issue before the electors was whether Manitoba should have equality among the Provinces that go to make up the Dominion or be "a postage-stamp province"? The people of Manitoba had answered emphatically in favour of equity and justice. "I trust that the pronouncement has been made loud and clear enough that Sir Wilfrid Laurier will have heard what the people of Manitoba want in this connection and will see the necessity of enlarging the boundaries of Manitoba before the present Session of Parliament is prorogued. I will not yield one inch either in law or in territory."

Liberal Policy in the Manitoba Elections

Preparations for the contest of 1907 had not been left to the Conservatives alone. The Opposition had put its house in order during the preceding year; had held a popular Convention of the party and presented its programme to the people; and had chosen a Provincial leader at this gathering—Edward Brown, Mayor of Portage la Prairie and a respected and successful business man. The Legislative leader of the last few years had been

Mr. C. J. Mickle. What this Opposition had to face, with its little beginning of eight members out of 40, the immediately preceding record of these pages has shown. Its alliance, actual or nominal, with the Ottawa leaders was apparently an injurious factor; the Government party was led by some of the most astute politicians in Canada who, moreover, had a substantial Federal grievance to complain of; the Administration had, also, evolved a political policy which appealed, more or less, to public sentiment. On the other hand the Government was supposed in Liberal circles to have broken or evaded the Prohibitionist policy of its original head, the Hon. H. J. Macdonald, to have estranged the Temperance vote, and to have mismanaged its land policy, etc., during the past four years.

On Feb. 18 Mr. Edward Brown issued a Manifesto to the electors of the Province. In it he described the Government as precipitating the contest in order to postpone decision in respect to the alleged Grain Combine and action in regard to the installation of the Telephone system; declared that the bounty of Providence, in the matter of good crops and good times, and the active Immigration policy of the Federal authorities, had created the improved conditions and prosperity of which the Provincial Government boasted; inquired as to how far the latter had taken advantage of these blessings and as to whether the farmers were more prosperous, agriculture more thriving, or Provincial liabilities lower, than they had been before the Roblin *régime*.

As to the financial policy of the Government he charged them with breaking all pledges of economy and reform. "In the last seven years they have received a revenue of $5,135,398.56 in excess of the revenue received by their predecessors in a corresponding period, and although their grants to the people have been proportionately less they have only a cash balance of $812,000 left out of this huge increase in revenue. As against this cash balance of $812,000, accumulated in seven years, they have increased Manitoba's direct debt by $500,000 and the indirect liabilities by $23,155,000, exclusive of drainage debentures; while they have sold off 1,243,263 acres of the Province's landed assets and have only a capital account of $919,086, spent on buildings and exceptional expenditures, to set against these figures." In the matter of land policy he alleged that 60 per cent. of the public lands of the Province, passing into the hands of the Government, had been disposed of and the money used as ordinary revenue—selling the lands at an average of $2.86 at a time when Dominion lands, C.P.R. holdings, etc., had averaged from $9 to $12 per acre. Of these lands blocks, ranging from 1,000 to 256,000 acres, were said to have been sold to friends of the Government at prices ranging from $1.56 to $3.50 an acre.

Mr. Brown denounced the Government as practically responsible for the blockade of the Canadian Northern during the winter

and spring because of its alleged policy of guarantee without control and because of the shutting out of competitive systems after the Government became associated with the C.N.R. In the matter of Temperance he was explicit: "The Government entered office on a Prohibition platform, but repudiated their pledges at the earliest possible moment and, although some twenty-two municipalities have by Local option by-laws considerably decreased the area in which licenses may be granted, this Government have increased licenses from 167 to 254, forcing licenses on the country against the protests of residents, the decision of the Courts, and their own definite and distinct promises, as in the Elmwood case. They have interfered with the prosecution of offenders against the license law and openly allied themselves with the liquor traffic. Are you content to allow the liquor dealers to elect candidates and rule the Legislature?"

Upon the much-discussed matter of Manitoba's boundaries Mr. Brown said: "We are assured that a fair and generous extension of Manitoba's boundaries will take place before the close of the present Session of the Dominion Parliament. We will not consent to any settlement of this question which does not afford ample justice to Manitoba, but it has never been a political issue in this Province, the Liberals being the first to protest against the iniquitous arrangements of 1881 which confined us within our present narrow limits, and they have always loyally supported even the present Government on this question, although they have protested against the injury done to Manitoba's claims by the undiplomatic and improper methods used in attempting to make party capital out of it. No attempt to divert your attention from the Government's record by hysterical appeals on this subject, or by deliberately untrue and misleading statements as to the Liberal demands for extension of boundaries should be allowed to divert your attention from the real issues of this campaign." The policy of the Opposition, if returned to power, was stated as follows:

1. We will undertake to investigate the conditions under which grain is stored and shipped, with a view to affording relief to the farmers, and will either bring about a complete system of Government-owned elevators or construct interior terminal storage elevators at central points.

2. We will also compel the railways to give efficient service to the limit of the powers possessed by the Province. Much may be done in this connection by the local Government and where our powers are insufficient we will appeal to the Railway Commission of Canada for the redress of our grievances.

3. We will compel the C.N.R. to live up to their contract with this Province under which they have received such material aid from the people. We will build lines of railway wherever needed, but will not continue the indiscriminate and wholesale guaranteeing of bonds, and will do our utmost to foster competition and competitive rates between the various lines.

4. We will undertake by travelling dairies, Institute lectures, assistance in seed selection, and liberal grants to agricultural societies, to not only make farming more profitable, but assist our farmers to meet the

keen competition they will shortly encounter from agriculturists to the west of this Province.

5. We undertake to increase the grants to the public elementary schools and to deal generously with higher education, and generally to pursue a more active educational policy with the co-operation of a Minister who shall devote his whole attention to educational matters. We will administer the law as to Public Schools impartially and without favour, and will not tolerate the paying of the Government grant to schools which fail to comply with the terms of the Public Schools Act.

6. We will administer the public lands for the public weal, and will sell only by public competition, or to actual settlers, while the principal moneys received from such sales shall be set aside to meet the bonded indebtedness for which such lands are the security.

7. We will administer the public finances with economy on business-like lines, and by reducing the running expenses of the machine, save at least $250,000 yearly which will be devoted to educational purposes.

8. We will encourage the flying of the flag of our country and the teaching of what it stands for inside the schools, but we shall not consider it necessary to foster loyalty by threats of penalties to school teachers and school districts.

9. We undertake to construct a Government system of telephones which will be carried out on strictly business principles, and will not necessitate the municipalities incurring a heavy liability and much responsibility in the installation of small competitive systems.

10. We will administer the laws of the Province impartially, and not as dictated by political expediency. We will give liberal aid for roads and bridges, and create a Good Roads Department, but will set our faces against waste and the application of public funds for political purposes.

11. We will give the Province an honest, just and moderate administration of the liquor traffic in accordance with the wishes of the people, and a majority of the residents shall at all times be sufficient to settle the question of the granting of licenses, the refusal of licenses, or the reduction of licenses in any municipality.

At Mr. Brown's nomination meeting in Portage la Prairie there was a notable array of speakers—including a number of Liberal candidates, Horace Chevrier and W. Lagimodiere of the late Legislature, Prof. W. F. Osborne of Winnipeg, and others. The Opposition leader devoted most of his time to financial matters but concluded with a reference to the Liquor question which was widely discussed. After giving some statistics of drinking in Canada he declared that "these figures proved conclusively that Manitoba was the most drunken Province in the Confederation. How did they like it, that it should be advertised to the world that the Province with which they were identified was the most drunken province in Confederation? What were they going to do about it? Were they going to let things drift on till it became more serious? No, they would endeavour to restrict that trade and it was what the Liberals proposed to do. From what he had seen he was satisfied that the liquor interests were the power behind the throne. They were in possession of the organization of the Conservative party."

On Feb. 12 a banquet was tendered the Opposition leader at the Royal Alexandra in Winnipeg by the Young Men's Liberal Club. The chairman, Mr. A. E. Bowles, made a vigorous attack on the flag policy of the Government concluding, however, with

the remark that "if the occasion should ever arise Manitobans would demonstrate to the world that no section of the British Empire, and no political party, could claim a monopoly in heartfelt allegiance to His Most Gracious Majesty." Other speakers were C. J. Mickle, Horace Chevrier and Prof. Osborne. Mr. Brown in his speech enlarged upon the proposed Liberal policy—including a Bureau of Information on agricultural matters, a Good Roads Commissioner, a system of travelling dairies and the encouragement of better stock-breeding. He reiterated the story of an alliance between the Liquor interests and the Government; promised generous aid to a Provincial University which should be one in fact as well as in name; promised better equipment in rural schools, higher salaries to teachers, adequate aid to School libraries. The next important Liberal event in the campaign was a demonstration in the Walker Theatre, Winnipeg, which—as in the case of Mr. Roblin's similar mass-meeting—was crowded and enthusiastic and encouraging. Mr. Isaac Campbell, K.C., occupied the chair and addresses were given by the local candidates, Alex. Macdonald, B. E. Chaffey, T. H. Johnson and Dr. J. A. MacArthur. In his speech Mr. Brown declared the Boundary affair to be not a party question, described his party as loyally behind the Government in supporting the rights of Manitoba and said that it would have gone even further, if in power, and have demanded an increased Subsidy with the additional territory. He suggested that Dominion issues were so much a part of the Government platform that the people should set them free to devote their whole time to those engrossing subjects.

Mr. Brown spoke at Hartney and Souris on Feb. 25th, at Treherne on the 26th, at Brandon on the 27th, at Hamiota and Rapid City on the 28th, at Oakville on Mar. 2nd, at Portage la Prairie on the 4th. At Brandon the Opposition leader defended himself against the charge of conspiracy in the Boundary matter. "What object would I have, as a Manitoban, proud of the Province in which I live?" As to the Convention Resolution upon which the charge was based he admitted that "it was, perhaps, loosely drawn and might have been more explicit"; but quoted at length from a Memorandum which he said he had submitted to Sir Wilfrid Laurier and which repudiated the claims of Saskatchewan and Ontario and pressed the demands of Manitoba to the whole of Keewatin. In the Telephone charter matter he declared that he had simply signed it to oblige a friend, had no pecuniary interest in it and did not even know where the document now was.

Meanwhile, on Jan. 21st Mr. Greenway, a one-time Liberal Premier of Manitoba, asked Sir Wilfrid Laurier in the House of Commons what were the intentions of the Federal Government as to Manitoba's boundaries. The reply was a reference to the conference of Nov. 12th, 1906, between the Dominion Government and the representatives of Manitoba, Ontario and Saskatche-

wan with the statement that as the three Provinces had conflicting views in the matter it was still under consideration. This left the future open to almost any political inference. On Feb. 28th Mr. D. W. Bole, Liberal member for Winnipeg, put a series of questions to the Prime Minister as to the relations of the Government with Mr. Edward Brown and the charges made by Mr. Roblin in the Boundary matter. A categorical reply was given to the effect that the Government had not entered into an agreement with Mr. Brown or any other party or parties in the Province of Manitoba, to grant a fraction of the area to which the Province was laying claim; nor had Mr. Brown, or any other party or parties on his behalf agreed to accept such a fraction; nor had the Government, or any member of it, entered into any agreement with that of Saskatchewan, at the time of the passing of the Autonomy Acts, in respect to this matter. Another issue of the moment on the Liberal side was the Railway question. The lowering of rates was conceded but it was not enough said the Opposition; the control of rates was obvious to some extent but it should have been more complete and the Government guarantees of Canadian Northern bonds should have given Government control of the Railway; the Government was declared to be in the hands of the Canadian Northern interests and, as the Winnipeg *Free Press* of Feb. 18 and succeeding head-lines put it: "Shall we have a Government-controlled Railway or a Railway-controlled Government? Shall we have a Premier who will give orders to Wm. Mackenzie or one who will take orders from him?"

Methodist Church interests were conspicuously on the Liberal side during the campaign. On Feb. 15th, by instruction of the Standing Committee of the Manitoba Conference on Temperance and Reform, a circular was issued signed by Rev. Dr. S. D. Chown, Rev. J. H. Morgan, President of the Conference, Prof. W. F. Osborne and nine other prominent Methodists, condemning all License arrangements by any Government; describing a liquor license as making the State a partner in a business which was "the enemy of God and man"; declaring that the time had come when Christian men must put conscience before loyalty to either person or party; and proclaiming that "the only proper attitude of the Christian towards the liquor traffic is that of relentless hostility, and all members of the Methodist Church who possess the elective franchise, are urged to use their influence to secure the nomination of Municipal and Parliamentary candidates known to favour and support Prohibition, and to use their votes as a solemn trust to elect such candidates."

Following this up the Rev. J. A. McClung of Winnipeg wrote a bitter letter to the local Opposition organ on Feb. 26th describing the Government's treatment of Temperance reform and the Temperance people as "simply vile," and urging the necessity of a new and better Government. Speaking in a Winnipeg church on

Mar. 3rd Rev. Dr. C. W. Gordon dealt with the kind of men needed in public life, described character as the all-important essential, prayed for one really good clean newspaper, praised the Government's Temperance legislation but criticized its enforcement, repeated the allegation that Manitoba was the most drunken Province in the Dominion and spoke of the "terrific power" of the liquor interest as having finally overcome the Government. He concluded with this statement: "I want to say, frankly, that, looking into the future, I would regard it as a moral Waterloo for the Province if, during the next four years, the interests of temperance and moral reform were to be left in the hands of the present Administration." In these criticisms of the Government along Temperance lines Rev. J. W. McMillan and Rev. Dr. S. G. Bland of Wesley College also joined—the last mentioned being described by the Conservative press, however, as by nature and advocacy a Liberal partisan. He issued an open letter to the *Free Press* on Feb. 22nd which contained the following wholesale attack: "There are Government candidates I should be pleased to vote for under other leadership. But the Government itself I find intolerable. No Government, as far as I know, has ever betrayed and flouted Temperance people like the present Government of Manitoba. Their scorn of pledges, their broken faith, their multiplication of licenses, their thrusting of licenses upon protesting communities, do not merely stir my indignation as a temperance man and a Christian, they make every drop of British blood in me tingle."

In the final result on Mar. 7th the Liberals failed to win and lost their three most active leaders—Edward Brown, Horace Chevrier and W. Lagimodiere—though in numbers a gain of some four seats was made and new political material of excellent promise obtained in the election of J. A. Campbell for Dauphin and T. H. Johnson for Winnipeg. Mr. T. C. Norris, who had not sat in the previous House, was also returned again, as was Mr. C. J. Mickle, the Leader in the preceding Legislature. One of the incidents of the fight—more discussed afterwards than during this period—was an alleged arrangement between the Roblin Government and Archbishop Langevin of St. Boniface to side-track the legislation abolishing Separate Schools. The charges were based by the Winnipeg *Free Press* upon an address published in *Les Cloches,* the St. Boniface organ of the Archbishop, on Jan. 15th, as having been recently presented to His Grace at the blessing of a new Convent. This document reviewed the oppressive effect of the Manitoba Act of 1900 in its limitation of religious instruction in schools, declared that the time must come for a complete restoration of Catholic rights, and added: "But there has intervened a *modus vivendi* which, in fact, and so long as we have in power equitable men, leaves to Catholics a freedom in schools which, if not perfect, is very appreciable. . . . Our schools

in many places remain to a certain extent French and Catholic, while being Public. The Catholic inspector represents as much the Archbishop as he does the Manitoba Act and the laws of 1890." Following the elections the Winnipeg *Free Press* had a series of editorials—Mar. 11th, Mar. 13th, Mar. 14, Mar. 15, Mar. 23rd, Mar. 25th, May 18, and June 14—accusing Archbishop Langevin of using his ecclesiastical power and office in favour of the Government party and against Mr. Brown; of having asserted his right to control the votes of his people; of having influenced his clergy to take a direct part in the contest and against the Liberal party; of being responsible for the defeat of Mr. Chevrier in St. Boniface and the consequent election of Mr. Bernier, Editor of *Le Manitoba;* of having influenced the vote in La Verandrye, Carillon, Assiniboia and Morris—all because of Mr. Edward Brown's statement that he favoured a vigorous enforcement of the School law. To the *Free Press* on Mar. 14th the Archbishop wrote a letter referring to a sermon he had preached on the 10th. "Expressing my opinion about the last Provincial elections in Alberta, Saskatchewan and Manitoba I said they were a triumph and a lesson. The triumph of British fair play, and a lesson to those who wish to make political capital out of fanaticism. Then I invited our people to examine their conscience to see how they voted. The Church, I said, has the right and duty of guiding the conscience of the faithful during election time and on political matters referring to morality, as the license question, civil marriages, school laws, etc., as well as during any other time of the year and on purely religious matters."

Government and Legislation in Saskatchewan

Mr. Walter Scott, Premier of Saskatchewan, had suffered severely from ill-health late in 1906 and for some succeeding months and was absent during that period, with Hon. J. H. Lamont acting as Premier. By the early summer of 1907, however, he was again taking up his work with energy and effect. During a part of the summer he acted as Commissioner of Education and Provincial Treasurer in addition to his regular duties as Commissioner of Public Works and of Railways. On June 21st a banquet and public demonstration in his honour was given at Regina by the Liberal Association of the Province. Some 700 guests were present representing every constituency in Saskatchewan, with Hon. W. T. Finlay and Hon. W. H. Cushing present from Alberta, with many Senators and members of Parliament in attendance, with the Hon. J. H. Ross as chairman. It was a pronounced tribute to a politician still young in public life; with a dominant note of personal feeling and regard throughout. An address was presented welcoming the Premier home after his prolonged and serious illness and congratulating the Liberal party upon having once more his wise guidance and patriotic service. His speech in reply was marked by an earnest spirit of optimism

THE HON. EDWARD L. WETMORE.

Appointed Chief Justice of Saskatchewan and elected Chancellor of the Provincial University in 1907.

THE HON. J. H. LAMONT, K.C.

Appointed Justice of the Supreme Court of Saskatchewan in 1907.

and only touched politics in a lengthy reference to the Separate School question, a criticism of Archbishop Langevin's alleged interference in Manitoba politics, a promise on his part to hold the scales true in Saskatchewan between Catholic and Protestant. Immigration he declared to be the one crying need of the country. "Not until our lands are occupied can Canada take her true place in the world of nations, which I hope and trust she will one day hold as a component, influential and equal part of the British Empire."

Speaking to a Regina Liberal meeting on Nov. 15th Mr. Scott described the outstanding features of Liberalism at Ottawa as being Transportation, Immigration and Tariff and censured Mr. Borden for giving Sir Wilfrid Laurier no credit for his work along these vital lines of policy. He was in Ottawa and Montreal early in December on the way to spend the winter months in a warmer climate and told the Montreal *Gazette* of the 9th something as to local policy and conditions. "The Province was in an excellent state financially, and up to the present time no expenditure had been made on capital account. Indeed, out of the terms secured from Ottawa, his Government had been able to improve liberally the roads and bridges of the country. They would, no doubt, have to borrow money to provide the Parliament Buildings and other future expenditures which would naturally fall to capital account. The policy of the Government as to telephones was early matured. After having secured the services of Mr. Francis Dagger, who had been previously employed by the Manitoba Government, they had about decided to begin a long-distance service. He thought that 300 miles would probably be erected at once."

Meantime there had been one change in the *personnel* of the Scott Government. The Hon. J. H. Lamont, Attorney-General and member for Prince Albert City, resigned on Sept. 23rd in order to accept a place on the Supreme Court bench and Mr. William Ferdinand Alphonse Turgeon, a young, eloquent, and capable barrister of the same home city, was appointed his successor. The writs were at once issued for a bye-election which took place on Oct. 12th with Mr. J. E. Bradshaw, ex-Mayor of Prince Albert, as the Conservative candidate. The contest was a heated one and was shared in by the Opposition leader, Mr. F. W. G. Haultain, who spoke on Oct. 4th and, accidentally, by Mr. R. L. Borden, who happened to be there in the midst of it. The Hon. J. A. Calder and other Ministers also spoke at different dates. When they were counted the uncontested ballots gave Mr. Bradshaw one majority; the 339 contested ballots were reviewed in the Court of Revision and, on Oct. 25th, Mr. Turgeon was declared elected by 65 majority; 134 ballots were, however, appealed to the Supreme Court and the final decision (Jan. 14, 1908) gave him the seat by 54 majority. It may be added here that Hon. E. L. Wetmore, Chief Justice, acted as Administrator

in place of the Lieut.-Governor at the close of the year; and that Hon. J. A. Calder was gazetted acting-President of the Executive Council and Prime Minister (during Mr. Scott's second period of absence) on Nov. 28, 1907.

During the year much administrative and executive work was done by the Provincial Government. The Educational system was improved and Higher Education work re-organized; important and varied public works, including bridges costing $100,000, were constructed or got well under way; the Department of Agriculture was admittedly active and efficient; the Judicial system was put into shape, the Supreme and County Courts organized and a mass of detail taken in hand by the new Attorney-General; and plans for new telephone and railway policies were developed. On Oct. 1st the Report of the Municipal Commission appointed in 1906 was made public, signed by Messrs. J. W. Smith, Andrew Whyte, P. Ferguson, H. H. Campkin, and William Andrew. Its recommendations involved a complete recasting and re-organization of the municipal laws and regulations of the Province and were made after a most thorough investigation of both rural and urban conditions. The Report as a whole, and in practical application, proposed a system very similar to that of Manitoba. Separate Acts for the governance of cities, towns and villages, respectively, were suggested and a Municipal Commissioner appointed by the Government was recommended while the Province was advised to retain sole control of Railway taxation.

Meanwhile, the coal shortage had come, the people had suffered in feelings when not in reality, and Mr. W. R. Motherwell, Minister of Agriculture, had done his best to meet the difficulty. On Feb. 20 the Saskatchewan Grain Growers Association, meeting in Regina, passed a Resolution asking the Provincial Government to acquire from the Dominion a portion of the coal lands of the Province "to be developed and operated in the interests of the people." An effort was made by the settlers at Eagle Lake, where coal had been discovered and much inconvenience also endured from the coal shortage, to persuade the Government to do something to help them. Mr. Premier Scott told a deputation at Saskatoon on July 8th that "it was against the policy of the Government to undertake the operation or ownership of coal mines, but in view of the exceptional circumstances of the case, and the hardships and suffering that might ensue if the settlers in that important district faced another winter with an insufficient fuel supply, he had decided to have the mine, should the seam discovered prove a good one, developed for the use of the settlers by the Provincial Government." Mr. Motherwell also got into touch with the railways and mine-owners and obtained a promise from the C.P.R. of ample rolling stock for a summer movement of coal and from the Galt Mining people of generous terms to those who would "stock up" early in the season. It

appeared difficult, however, then or later, to get the public to take action in advance of an actual necessity.

The question of Government Telephones was much discussed during the year. On Jan. 18th the Regina Grain Growers Association passed a unanimous Resolution in favour of a Government-owned system for the Province and asked the Government to give the subject early consideration. The Associated Boards of Trade Convention (June 19) asked the Saskatchewan Government to follow the example of Alberta in regard to Government control and operation of Telephones, while the Union of Saskatchewan Municipalities (Aug. 6) recommended Municipal ownership in this connection. On Aug. 10 Mr. Francis Dagger, the well-known expert, was appointed to inquire and report upon the subject to the Government. He found public opinion much in favour of Government construction and operation. Toward the close of the year Mr. S. P. Porter, of Regina, was appointed Deputy Commissioner of Railways and the whole subject transferred to his special charge with instructions to commence preliminary work upon the construction of Government lines. There were revivals of the School question from time to time—chiefly as a result of the legislation of this year providing for a system of higher education. The Regina Council, acting under it, adopted a By-law providing for the establishment of a High School, and creating a high school district; all the residents within which, without regard to religious views, being, it was alleged, liable to pay taxes toward the maintenance of the institution. Roman Catholics, of course, protested and the claim was strongly made that this was contrary to the terms of the Autonomy Act and that an appeal to the Courts and the Privy Council would decide it to be unconstitutional. Incidentally, such action would have brought the whole School question into the political arena again. Archbishop Langevin of Winnipeg, was in Regina during June and his visit gave rise to varied rumours as to a new Catholic party. A positive contradiction of this, so far as His Grace was concerned, was made public in July. On June 6th the Hon. Mr. Calder stated that five High School districts had already been organized under this Act and that the actual erection of the schools rested with the Trustees concerned. New Public School districts numbering 300 were, it was said, formed during the year.

In the matter of a Provincial University there was considerable discussion. The Legislature laid the primary foundation and public opinion proceeded to build upon it. The Saskatchewan Methodist Conference on June 7th passed a Resolution urging its establishment at as early a date as possible. A meeting of representative citizens in Prince Albert, on July 20, expressed the opinion that their city should be the seat of the institution and appointed James McKay, K.C., Hon. T. H. McGuire and James Flett a Committee to interest the northern part of the Province

in this respect. Mr. D. P. McColl, Deputy Minister of Education, was appointed by the Government to obtain a register of persons entitled to take part in the first Convocation proceedings—all graduates of any University of His Majesty's Dominions resident in the Province for three months prior to the holding of Convocation. Nearly 300 sent in their names by the end of the year and the Hon. E. L. Wetmore, Chief Justice of Saskatchewan, was by general vote unanimously elected Chancellor. The first Senate of the projected University was declared elected on Oct. 17 as follows: F. W. G. Haultain, B.A., Regina; H. Hall, M.A., LL.B., Yorkton; Mr. Justice Prendergast, Prince Albert; E. B. Hutcheson, M.A., Regina; Right Rev. Dr. Grisdale, Bishop of Qu'Appelle, Indian Head; George E. McCraney, B.A., LL.B., M.P., Moosomin; Rev. E. A. Henry, B.A., Regina; Douglas J. Thom, B.A., Regina; A. M. Fenwick, M.A., Regina; David Low, M.D., Regina. The Chancellor and Mr. Calder, Commissioner of Education were, of course, *ex-officio* members and Mr. D. P. McColl was appointed Registrar. Another Educational development of the year was the effort to arrange a series of cheaper and better text-books for the Schools. Ultimately the three Western Provinces—Saskatchewan, Manitoba and Alberta—agreed to act together in the matter at a conferenee held in Winnipeg which was composed of Hon. J. A. Calder for Saskatchewan, Hon. C. H. Campbell for Manitoba and Hon. A. C. Rutherford for Alberta. A yearly meeting of the Deputies of these Ministers was decided upon and the attainment and maintenance of harmony accepted as a common policy—the same books for all the Provinces. Eventually the contract for Alberta and Saskatchewan was given to Morang & Co. of Toronto.

Mr. F. W. G. Haultain, the Opposition leader of a eombined Provincial Rights and Conservative party in Saskatchewan, expressed himself in several interviews as pleased with the position and prospects of his organization. To the Regina *Standard* on Feb. 18th he declared himself in favour of the Public ownership of Telephones; of the early construction of a railway to Hudson's Bay by the joint efforts of the three Western Provinces; of an extension of territory in that direction which should, in any case, give Saskatchewan a first elass tide-water port on the Bay; of legislation helpful to the farmer in his struggle with the alleged combines of the grain dealers and lumber interests. His party held a Convention at Regina on Mar. 19th. Mr. J. K. McInnis occupied the chair and Mr. Haultain spoke at length on the poliey of the organization. He denounced the Government for resorting to direct taxation and especially the taxing of the new settler; for changing its School policy and depriving the Catholic minority of rights in respect to High Schools said to have been guaranteed under the Ordinances of 1901 and the Autonomy Act; for not doing anything in the matter of C.P.R. tax exemptions; for not submitting a test case to the Privy Council in the School clauses

of the Autonomy Act as promised. He concluded with a summary of what the Government had done and this, in his opinion, was nothing which was not obvious and necessary and comparatively easy to do. "Can anyone point to a single measure showing originality or a realization of the responsibility resting upon these gentlemen?"

Resolutions were passed (1) declaring the party purely a Provincial organization "for the purpose of securing full powers of Provincial self-government subject to, and in accordance with, the provisions of the British North America Act"; (2) denouncing bribery and fraudulent electoral schemes as violating the fundamental principles of liberty and promising to secure and enforce effective legislation to check these evils if given an opportunity; (3) proclaiming the lands, timber and minerals of the Province as being rightly the property of the Province—such ownership affording not only an immense addition to its available assets but obviating the necessity of direct taxation and enabling the Government to deal effectually with such matters as the coal shortage and timber combine; (4) urging the right of the Province to administer and control its School lands; (5) demanding that the Province and the people be relieved of the burden imposed by C.P.R. exemption from taxation; (6) declaring the Federal control of the water supply of the Province to be burdensome to the people as well as an invasion of their constitutional rights; (7) favouring legislation to help the grain growers in connection with the marketing of their grain; (8) urging early construction of the Hudson's Bay Railway, re-affirming support to the principle of Public ownership of public utilities, and demanding Government construction, ownership and control of a Provincial Telephone system. The following Resolution dealt with the School question: "Whereas the Saskatchewan Act passed by the Federal Government, in our opinion, restricts rights and powers of the Province in the matter of education; therefore, be it resolved that we will adopt all constitutional methods to obtain our full autonomous rights as guaranteed by the constitution, with the object of nationalizing our School system." The warmest confidence was expressed in Mr. Haultain's leadership and he was re-elected Hon. President with J. T. Brown, M.P.P., as Hon. Vice-President, J. K. McInnis as President, J. F. L. Embury as Vice-President, A. L. Gordon as Secretary and P. McAra, jr., as Treasurer. An influential Committee was also appointed.

Political incidents of the year included the Report, in March, of the Commissioners in the Agnew case (J. V. Begin and Frank Ford, K.C.) which consisted simply of a presentation of facts and evidence in respect to the dismissal of T. J. Agnew, J.P., in 1906 by the Provincial Government; the controversy in Regina over the Government appointment of William Trant as Police Magistrate (Apr. 10) despite the City Council's recommendation of

C. E. D. Wood; the Government's decision to withdraw from the Inter-Provincial Beef Commission in view of the existing high prices of meat; the decision to appoint an efficient expert to teach the principles and practice of irrigation; the appointment, under the terms of a new Act, of eight King's Counsel for the Province—Hon. T. H. McGuire, formerly Chief Justice of the Territories, James McKay of Prince Albert, Norman Mackenzie of Regina, J. T. Brown, M.P.P., of Moosomin, Hon. J. H. Lamont, Attorney-General, Frank Ford, Deputy Attorney-General, and F. W. G. Haultain, M.P.P.; the statement by the Regina *Leader* (Aug. 7), made in view of sundry criticisms and attacks in that respect, that neither Mr. Premier Scott nor any representative of his held a cent of stock in the Company which owned that journal; the opening by the Lieut.-Governor on Oct. 10 at Saskatoon, of the new bridge over the South Saskatchewan River which cost the Government $110,000 and boasted a length of 800 feet; the announcement in August that the Government would aid settlers in boring wells under carefully defined conditions; the organization on Mar. 26th of a Saskatchewan Local Improvement Association with S. Chivers-Wilson of Regina as President and its deputation to the Premier on July 17th asking for the exclusion of School districts from the new taxable area; the conference at Regina of delegates from agricultural societies on Dec. 12th which asked the Provincial Government to (1) exempt from taxation all grounds held primarily for the purposes of such societies, (2) to establish a central testing station for seed grain, (3) for legislation along the line of Government supply of seed grain to the farmers; the appointment (Jan. 9) of Mr. A. P. Ketchen as Deputy Commissioner of Agriculture in succession to Mr. J. R. C. Honeyman; the appointment of a Board of three License Commissioners for the Province composed of Hugh Armour of Regina, A. P. McNeill of Saskatoon and J. R. Bunn of Milestone.

Proceedings and Measures of the Saskatchewan Legislature

Meanwhile a great deal of constructive legislation had been put upon the Statute books of Saskatchewan. The previous year had seen the making of a Province in the way of much foundation and creative work of an administrative character; this year saw the passage of various laws dealing with fundamental institutions. The 2nd Session of the first Legislature met at Regina on Feb. 20 and was opened by Lieut.-Governor A. E. Forget with a Speech from the Throne which referred to the prosperity of the past year, the death of Lady Victoria Grenfell, and the illness of the Provincial Premier which would prevent his attendance in the House; deprecated the inadequacy of transportation facilities which had of late been so startlingly emphasized and declared that "the difficulties met in moving the crop in the early fall were quite overshadowed by the failure of the Railway companies to meet the demands from all quarters for

fuel"; pointed out that a large percentage of last year's crop was still in the farmers' hands and trusted that the Dominion Grain Commission would be able to indicate some solution of these troubles; stated that the Provincial Government had taken prompt and energetic action to secure supplies of fuel from every available source during the time of scarcity and had succeeded in preventing any general distress; mentioned the Inter-Provincial and Hudson's Bay Conferences without specifying details or expressing any opinion; referred to the Provincial Commission on Municipal affairs and hoped the result of its work would enable the House to "provide an inexpensive and comprehensive scheme of local self-government" suited to the conditions of the Province; promised a number of important measures for consideration.

Mr. Premier Scott was not present and Hon. J. H. Lamont, Attorney-General, was Leader in the House during the Session. The Address was moved by W. C. Sutherland and seconded by J. D. Stewart. In following these speakers Mr. F. W. G. Haultain, the Opposition Leader, criticized the Government for not doing enough during the fuel famine and the Minister of Agriculture for taking part, a wrong part, in the Grain controversy of Manitoba—where he had, himself, been an active Counsel for the Grain Growers. He also deprecated the afterwards-denied policy of purchasing a Coal Mine for Government operation. Mr. Lamont replied, briefly, denying that there was any intention of buying coal mines and explaining the Hudson's Bay policy of the Government. The Address then passed without further discussion. Amongst the chief elements of succeeding legislation was the organization of new Courts in place of the old Territorial ones which still operated and the consolidation and reform of the laws inherited from the Territories and originally based upon the law of England as it was in 1870.

The Supreme Court Act provided a new Judicial system in place of the old Supreme Court of the Territories with five Judges residing at Regina but going on circuit at regular intervals. Based on the English system of judicature (as in all the Provinces except Quebec) the new body was to have both original and appellate jurisdiction. The salaries voted and paid by the Dominion were afterwards placed at $7,000 per annum for the Chief Justice and $6,000 for the puisne judges. District Courts were created with large jurisdiction but with a money limit in cases of debt up to $300. The Province was divided into 8 Districts, each of which would have a Judge residing at some point within the District. The Surrogate Court Act gave the District Judges jurisdiction in probate administration matters hitherto possessed by the Supreme Court and exercised by Circuit Judges, generally, in other Provinces of the Dominion. The Jury Act provided for a jury of twelve, instead of six, as heretofore, and the Court Officials Act gave power to appoint such officers as might be neces-

sary for these Courts. The Law Society was re-organized into a Provincial body and given large disciplinary powers over its members; the term "advocate" was eliminated from the new roll and replaced by those of "barrister" and "solicitor"; full power was given as to admission to practice within the Province. A measure respecting King's Counsel limited the number for creation in Saskatchewan to two in any one year or 8 in any four years with certain official exceptions such as the Attorney-General of the Province and it gave no recognition in its code of precedence to King's Counsel of Dominion creation. The Mechanics' lien measure was very similar to that of other Provinces in Canada. On Sept. 16 the Hon. Edward Ludlow Wetmore was appointed Chief Justice of the Supreme Court and the Hon. J. E. P. Prendergast, Hon. H. W. Newlands, Hon. T. C. Johnstone and (Sept. 23) Hon. J. H. Lamont, Puisne Judges of the Court. The District Court Judges gazetted on Nov. 21st were Reginald Rimmer, Regina, for Cannington District; A. G. Farrell, Moose Jaw, for Moosomin; T. C. Gordon, Carnduff, for Yorkton; T. F. Forbes, Regina, for Prince Albert.

An important measure defined the scope, functions and character of the projected University of Saskatchewan, for the maintenance of which a sum (not specified) was to be appropriated from the revenues of the Province together with 33 1-3 per cent. of the net receipts from Succession duties in each successive year from the time of this Act. Another Bill dealt with the organization and maintenance of a system of High Schools and elaborated varied details of management, attendance, instruction, assessment, etc. Collateral to these Acts was the much-discussed Supplementary Revenue measure introduced on Mar. 1st by Hon. J. A. Calder. It provided for the levying of a rate of one per cent. per acre upon every owner or occupant of land in the Province—outside of village and town school districts. This sum was to be distributed as follows: (1) Five per cent. for the establishment and maintenance of an Agricultural College; (2) five per cent. for the establishment and maintenance of the University; (3) ten per cent. for the support of secondary education; (4) 80 per cent. for the support of primary schools. Mr. Calder estimated that there were 33,000,000 acres of land available and, in this connection, realizing about $320,000. He pointed out that although village and town school districts were exempted from the tax, all collegiate institutes, high schools, and intermediate schools, were made free of all tuition and other fees to every resident of the Province. Furthermore, while organized rural school districts paid in only $100,000 of this tax they would have handed back to them for their primary schools $238,900 or nearly $2.40 for every dollar of taxes paid in. Mr. Haultain approved the principle and some of the details of this legislation but claimed that the members of the Catholic minority in the Province, under the

terms of the Autonomy Act which he (the Opposition Leader) had so vigorously opposed, might now refuse to contribute their share of this taxation. In an elaborate letter on Aug. 8th, to one of the Local Improvement Districts, Mr. Premier Scott defended the measure against certain charges and declared that it was passed to make the whole taxable area (33,000,000 acres) carry the load instead of leaving one-third of that area under the entire burden.

A celebrated Election case had its termination on Apr. 1st when the Committee of the Legislature on Elections and Petitions considered a petition from S. J. Donaldson (Conservative) dated Feb. 25th, and claiming that on Dec. 13, 1905, he had been duly elected in Prince Albert District over Dr. P. D. Tyerman, the Liberal candidate who, as a result of the afterwards admitted fraud of deputy returning officers and poll-clerks, had been declared elected and duly gazetted. The case was argued by Counsel and then the Attorney-General (Mr. Lamont) described the trouble as due not only to the fraud in the matter of ballots cast but to the originally defective election law. He asked the Committee to waive politics, and to act in a quasi-legal manner. "All that remained to be done was to make provision to declare the election was held, that these two men were the candidates, that of the valid votes Donaldson had a majority, that there were not sufficient numbers of voters in the three northern polls to affect the majority and that the majority of electors had given expression to their opinions." Mr. Haultain supported this view as a whole—though not in accord with the strictures upon the Election law—and by a further and unanimous vote in the Legislature the Committee's recommendation was sustained, Mr. Donaldson duly declared elected, and the return amended accordingly by the Clerk of the Executive Committee (Mr. J. A. Reid).

On Mar. 25th the Hon. J. A. Calder, Provincial Treasurer, presented his second Budget. During the four months ending Dec. 31, 1905, the Receipts had been $665,306 of which $562,062 had come from Dominion Subsidies. Of this sum $546,704 was carried forward into the next year, and in the 14 months ending Feb. 28, 1907, the total additional Receipts included $348,358 from local Revenue, $62,525 on account of School lands and $1,186,650 in Dominion grants, etc., or a total of $2,081,712. The expenditures were $1,599,432 and the surplus carried forward was $482,280. Of the expenditures civil government took $141,598; Legislation $30,091; Justice and its administration $206,156; Public Works $618,818; Education $288,942; Agriculture, $103,448; Hospitals, etc., $25,494 and miscellaneous sums $184,881. The Treasurer's estimate for the fiscal year ending Feb. 28, 1908, showed a total revenue of $2,054,360 in addition to the balance brought over from 1907. Of the estimated expenditures the chief item was in Public Works—a total of $1,789,187—and

of this $1,220,000 was to go upon small bridges and $225,000 on road improvements. There was also $178,055 for Agriculture and $250,000 for Education. In his speech Mr. Calder spoke of the large bridges at Saskatoon and Battleford as well under way; eulogized the specially active work during the year of the Minister of Agriculture (Mr. Motherwell); mentioned the $130,000 more coming to the Province yearly as a result of the Inter-Provincial Conference; described the Government as striving to organize and maintain an efficient, non-partisan Civil Service; and referred to the scarcity of labour as having delayed the Government's programme of public works. Mr. Haultain's chief criticism was that the expenditures were upon too elaborate a scale; that direct taxation, as in the land tax, and a surplus should not go together; that the machinery of government was being too greatly increased. A long debate followed in which the chief speakers were Messrs. Motherwell and Lamont and Dr. W. Elliott.

The subject of Telephone ownership and construction was frequently referred to. On Mar. 26th Mr. Haultain moved a Resolution demanding the "early establishment of a Telephone system owned and operated by the Province," but on motion of Mr. G. Langley a Government amendment was accepted which expressed the opinion that while such a policy was desirable it would be wise to first make a thorough inquiry into existing systems in Canada and elsewhere. At the same time the Government committed itself to the general policy and asked for $5,000 to carry on the preliminaries of research. Of other legislation there was an Act respecting Controverted Elections which, in the main, affirmed the Territorial regulations; a measure organizing the Treasury Department and providing for the auditing of public accounts; a measure taxing Insurance companies, joint stock concerns, banks, corporations, loan and telegraph companies and express companies in various detailed ways; an amendment to the Game Ordinance affording better protection to wild animals and birds and prohibiting Spring shooting; the amendments to the Liquor License Act (Mr. Lamont) providing for three License Inspectors to go on circuit, increasing the number of bedrooms required in licensed hotels and grading up the License fees all round; the Hail Insurance measure (Mr. Calder) providing for three classes of insurance—11 cents premium for $3.00 an acre, 15 cents for $4.00 an acre, and 19 cents for $5.00 an acre.

The first division of the Session was upon a motion by Mr. D. D. Ellis (Cons.) declaring that a Land Titles office should be established in each Judicial district. A Liberal amendment simply stating that "additional offices at convenient points should be organized" was carried by 15 to 7. There was a controversy during this period between the Government and the Provincial Architect (G. E. Hutchinson) as to the discarding of his plans for constructing the Land Titles building at Regina and

The Hon. William T. Pipes, K.C., M.L.C.
Appointed Attorney-General of Nova Scotia in 1907.

The Hon. N. D. D. Beck, K.C.
Appointed Justice of the Supreme Court of Alberta in 1907.

Mr. Hutchinson accused the Government of suppressing, in its official returns, a letter submitted by him in this connection. The subject was discussed on Apr. 2nd. The Controverted Elections Act was criticized by the Opposition for not being retroactive and not, therefore, touching the contested seats of the general elections. On Mar. 1st the Hon. Mr. Lamont stated officially that the new Dominion Lord's Day Act would be accepted by the Province and go into operation. The Legislature was prorogued by His Honour on Apr. 3rd.

Government and Political Conditions in Alberta

Events moved quietly in Alberta during 1907 as they had in the preceding year. Politics had never been stormy as in Saskatchewan and they were still peaceful; the Coal shortage was not so pressing and the Car shortage not so serious as in the sister Province; agriculture was more mixed and varied and there were fewer eggs in the same basket. On May 4th the Board of Trade of Strathcona gave a farewell banquet to Hon. A. C. Rutherford on the eve of his departure for England. The Premier referred to the local development of this, his home-town, and then described the Government's action along lines of Telephone construction and ownership as being the first in the Dominion; stated that he hoped to create a uniform Municipal system covering the entire Province and expressed pride in the Government's policy of encouraging Education; declared that they would soon have at Calgary the best-equipped Normal School in Western Canada. He then dealt with the University of Alberta project. "From inquiries made throughout the Province the Government had ascertained that in 1908 there would be about 60 or 70 pupils ready to matriculate in arts, and 8 or 10 in engineering courses. As a result of these inquiries the Government took steps last Session towards the securing of a site for the Provincial University. It must not be expected that a modern university would be in operation in a year or two, but he hoped a good nucleus would be there before two or three years passed away. The new University would be kept outside the realm of politics and be non-denominational. Five members of the Senate would be selected from graduates in the Province and ten by the Governor-in-Council. From the start it would be on a teaching basis alone. Having voted $150,000 for a site, the Government looked around for a location for the institution. It was decided to place the University—the crown of the Educational system—in the City of Strathcona."

The Telephone policy of the Government was an important development of the year. On Feb. 14 Hon. W. H. Cushing, Minister of Public Works, referred in the Legislature to the operations of the Bell Company and then spoke as follows: "The Alberta Government believes that if it has any function at all it is to protect the people from such monopolies. The opinion of the Government is that the only way to regulate such a monopoly

is to enter into competition and ensure low rates and proper service. It desires to create means by which the farmers will secure the business advantages that will result from a system of municipal telephones throughout Alberta. Last Session's legislation made it possible for the people to operate their own system, the Province to supply the trunk lines. A line from Calgary to Banff had been built and the Government had already contracted for the wires and poles for 500 miles of line that would be built this year between Lloydminster, Edmonton and Calgary." In the estimates, later on, $200,000 were devoted to the construction of Telephones and though no official figures were given out private members seemed to anticipate a rate for farmers of $10 or $12 a year. At the Canadian Club, Calgary, on Apr. 11th, Mr. Cushing spoke at length on this subject and declared cheap phones for the farmers and settlers—the union of the Province by cords of copper —to be the special policy of the Government.

Speaking at a banquet to J. B. Holden, M.P.P., in Vegreville, on Apr. 30, Mr. Cushing dealt with the arduous task of providing bridges for a Province so broken by streams and roads and a population spreading so rapidly over vast spaces; hinted at drastic measures to provide that where there was such abundance of coal the people should not suffer for lack of it; deprecated the aversion of rural districts to paying their taxes, especially when the proceeds went to their own roads and bridges—in 1906 only $260,000 out of $400,000 assessed had been paid up; referred to the Telephone matter at length. In a speech at Nanton on June 7th Mr. Cushing took very advanced ground in the general matter of Public ownership: "I believe it would be to the interest of this country to own its telephone system and also railroad systems —they are public institutions. It would be to the interest of the country to own its own coal mines. There will be no proper solution of the trouble between coal owners and operators until this takes place." The Minister was in Toronto on Sept. 9th and told the press that by the end of the year the Government of Alberta would have 500 miles of trunk telephone lines in operation. At Vermilion on Nov. 1st Mr. Cushing said that before the end of the month 20 towns and villages would have Government telephone connection; that an offer had been made to buy out the Bell Company but without success; that special attention would be given to rural lines and to future connection with Saskatchewan and Manitoba; that the Government, if found necessary, would not be afraid to also handle the telegraph interests.

The Alberta Government was "advanced" in other ways than this. Its Department of Agriculture, under Hon. W. T. Finlay's administration, had won a reputation for unusual activity. In 1906 the Minister had visited every Agricultural Fair of any importance in the Province; he inaugurated in 1907 a campaign of education which included a series of dairy, poultry and grain

judging schools for almost every centre in the Province and attended by experts as lecturers and demonstrators; the travelling dairy scheme was made a success. Speaking at Vegreville (Apr. 30) Mr. Finlay referred to his unique development of a Government-owned and operated creamery system. "The Department took up the creamery business and supplemented the work done by the Dominion Government. Eighteen creameries had been operated by the Department, and as a result a quarter of a million of money had been distributed among the farmers of Alberta, which was not only a benefit to the farmer but at the same time was reflected in the increased business of the store-keepers in the districts where creameries were in operation. The butter brought the average price of 21 cents, a good figure for the entire season. The next thing the Department took up was the poultry industry. It had met with success in this experiment and expected to conduct 12 to 14 co-operative fattening stations in conjunction with the creameries this year." Along these lines, also, was the policy of Hail Insurance inherited from the old Territorial Government. In 1907 there were 700,000 acres under crop in the Province and of this 136,997 acres were wholly covered, and 19,059 acres partially covered, by 2,932 insurance contracts at a payment of 15 cents per acre; with 292 claims filed for damages on 18,019 acres and a payment to the farmers of $29,419. Mr. Finlay visited his old Irish home at Lisburn in the Autumn and, on Oct. 2nd, was tendered a banquet and complimentary address.

The organization of the Supreme and other Courts of Alberta took place during the year as a result of legislation which created a Supreme Court of five Judges, with certain defined jurisdiction, and five District Courts to deal with matters of specified and minor importance—not exceeding $400 in value of claim. Surrogate Courts were also established similar to those of Ontario and Manitoba and, under the Act to amend the Statute Law, various changes were made which came into force by proclamation on Sept. 16 together with the Judicial enactments specified. A Provincial Law Society was also created of which the Benchers (elected on Nov. 14) were as follows: James Muir, K.C., Calgary; C. F. P. Conybeare, K.C., Lethbridge; W. L. Walsh, K.C., Calgary; J. C. F. Bown, K.C., Edmonton; D. G. White, Medicine Hat; Hon. James A. Lougheed, K.C., Calgary; H. C. Taylor, Edmonton; George W. Greene, Red Deer; O. M. Biggar, Edmonton. The *ex-officio* members were the Dominion Minister of Justice, the Provincial Attorney-General and F. W. G. Haultain, K.C. The Judges of the new Supreme Court, with the same salaries as in Saskatchewan, were those of the old Territorial Court—Hon. A. L. Sifton (Chief Justice), Hon. D. L. Scott, Hon. Horace Harvey, Hon. C. A. Stuart—with the addition of Mr. N. D. D. Beck, K.C., of Edmonton, who was appointed on Sept. 23rd. The District Court Judges were gazetted on Nov. 21st as follows:

W. Roland Winter of Calgary to the District of Lethbridge; A. A. Carpenter of Innisfail to that of Macleod; J. C. Noel of Edmonton to that of Wetaskiwin; H. C. Taylor of Edmonton to that of Edmonton; C. R. Mitchell of Medicine Hat to that of Calgary. On Apr. 5th a limited number of King's Counsel were created for the Province including R. B. Bennett and James Short of Calgary; C. de W. MacDonald, J. C. F. Bown and Wm. Short of Edmonton; with (on Nov. 16) P. J. Nolan of Calgary. On Nov. 12th Mr. G. F. Downes was made Police Magistrate of Strathcona.

The question of a Provincial University was an interesting subject of the year. The settlement of its site on the beautiful banks of the Saskatchewan at Strathcona—opposite the projected Parliament Buildings—was along artistic lines but was not quite pleasant to the rival claims of Calgary which were pressed energetically by its press, its Minister (Mr. Cushing), and by special deputations. There was a local tendency afterwards to speak of the new institution as a "northern" rather than a Provincial University and, at the laying of the corner stone in Calgary of the new Normal School (May 22), Hon. Mr. Cushing advised its citizens not to cry out too soon. "In this Western country, with its rapidly changing conditions and circumstances, many things may happen." A proposal was put forward, later on, by the Rev. Dr. MacRae of the Western Canada College in that city, looking to one University for Alberta, Saskatchewan and British Columbia with one or more Faculties centred in each Province. During the Legislative Session provision was made for a part of the funds required, a pledge was given by the Premier on Mar. 11th that the University would be established in 1908, and on the 13th he carried a Resolution asking the Federal Government to endow the institution with a large grant of land. Convocation was duly organized out of some 200 College graduates in the Province. Mr. Justice C. A. Stuart was elected Chancellor and the Rev. Henry Marshall Tory, M.A., B.D., D.SC., LL.D., of McGill University, was appointed President.

The 2nd Session of the first Legislature of Alberta was opened at Edmonton by Lieut.-Governor G. H. V. Bulyea, on Jan. 24th with a Speech from the Throne which referred to the unparalleled development of Western Canada and especially Alberta; mentioned the gratifying results of the Inter-Provincial Conference as helping to meet ever-growing necessities; expressed gratification at the coming increase in Provincial representation at Ottawa and in the recent visit of the Governor-General; promised a measure for the establishment of Courts of Justice, a uniform law governing railways, a measure providing for better administration of insolvent estates, an Act respecting the custody of insane persons and one protecting game and game-birds; anticipated legislation for the further encouragement of secondary education,

for the taxation of lands to support general education, for the protection of public hotels, and for the assessment of corporations along fair lines of taxation.

One of the most important of the ensuing measures was Hon. Mr. Cushing's Railway Bill, read a second time on Feb. 26th, and which contained some of the most radical legislation yet introduced in Canada. According to the Minister's explanations the general principles of the Bill followed the Railway Act of Canada with some very important additions. Provision was made for the acquisition of any road under Provincial jurisdiction by the Province; valuation to be made by arbitration and the Chief Justice to appoint a third arbitrator in case of failure to agree thereupon. The time limit for construction was to be two years for the first thirty miles, one year for each succeeding thirty miles and the whole to be completed within five years. The distinguishing feature of the Bill, however, was that it placed power in the hands of the Government to permit the construction of any road, at any time, by any company, having a charter as a railway company; the same power to build a railway was given any industrial company, in any other line of business, on the ratification of plans by the Minister of Public Works. Another Bill, presented by the Premier on Mar. 7th, taxed every kind of corporation, financial, industrial or of public utility. Street Railways were to pay $200 per annum and $10 per mile for any distance over 20 miles; Telegraph companies $1.00 a mile for every mile of line; Telephone companies 50 cents per instrument in cities of 10,000 and 25 cents in cities under that; Gas companies $500 annually; Electric Light companies $500 in cities of 10,000, $100 in towns, and $25 in villages; Express companies $500; Corporations taking money on deposit, $200; Banks, $400 for head office and $200 per branch; Private banks $200 and $25 for all branches; Insurance companies one per cent. on the gross premiums; Trust and Loan companies $100 on $100,000 capital.

The Educational policy of the Government was concentrated and put in practical form in Mr. Rutherford's measure, which taxed lands for educational purposes, outside established school districts, at a rate of $2 per square section. By this means land speculators and land companies would pay a share of the taxes for education just as they were already forced to pay the local improvement tax. In this connection the Premier stated that the Government had decided to institute University classes in Arts, Agriculture, Engineering and Domestic Science in the near future and that a portion of the land-tax and the corporation tax would be devoted to promoting the interests of higher Education in the Province. The revenue derived from these sources would be a supplementary grant to those already paid the Schools. Other legislation included a measure as to legal precedence and practice which limited the number of King's Counsel and provided that

no such Counsel could act for a private party against the Crown; a Bill incorporating Strathcona as a City, and others enlarging the powers of Calgary and amending the charter of Edmonton; measures presented by Hon. C. W. Cross organizing the District Courts, dealing with Controverted Elections, providing regulations as to assignments, dealing with insane persons, and amending the Statute law generally; Bills introduced by Hon. W. T. Finlay amending the Games' Act, constituting in a new Public Health measure the basis of public care in this important point, and a Noxious Weeds Act dealing with pests most dangerous to agricultural interests. Other Acts dealt with Local Improvements, increased assistance to Hospitals, the establishment of public libraries, and the Liquor laws. The Attorney-General's amendments in this latter respect provided for no license in a community containing less than 40 dwelling houses within an area of 960 acres. In larger municipalities licenses were graded in number according to population—one for 300, two for the next 500, and one for each additional 1,000. Hotels must have bedrooms ranging from 15 in villages to 45 in cities.

The House was prorogued on Mar. 15th after passing 55 measures and with debates marked by the quiet tone natural where there were only two Opposition members. A last incident of the Session had been Mr. Premier Rutherford's Budget speech on Mar. 12th delivered under the unique condition of no exception being taken to a single estimate, no criticism offered of the expenditure, no charge of any kind made against the Government. According to the Treasurer's statement the balance on Dec. 31, 1905, was $473,252, the Receipts from Dominion Subsidies, etc., in the calendar year 1906 totalled $1,030,375, and from the Dairy Commission in respect to creamery operation $226,358, making, with sundry items, a total of $1,898,311. The expenditures included $121,794 on Civil government, $28,958 on Legislation, $116,669 on the Administration of Justice, $635,961 on Public Works, $196,666 on Education, $289,322 on Agriculture, and miscellaneous sums totalling $1,485,913—leaving a surplus of $412,398. Added to this there was also $143,727 held in a Public building fund and not yet touched. The chief source of local revenue was in hotel licenses totalling $44,881 and next to that were the Incorporation fees totalling $11,385. The operating expense of the Creameries was given as $237,493 or $11,000, apparently, in excess of the receipts from sales of butter. The estimates for 1907 showed a total surplus carried over of $555,125; receipts from the Dominion, $1,124,125 with a probable addition of $130,000; receipts from Land Titles office of $125,000, from Railway taxation of $200,000, from Creameries of $315,000; and a total gross revenue of $2,820,250. Expenditures for the year were placed at $2,763,974 of which $1,293,000 was to go to Public Works, $365,675 to Education, $435,576 to Agriculture, $345,722 to the

administration of Justice and $150,000 to the purchase of a University site.

The Liberals of Alberta held a Convention in Calgary on Oct. 22nd with 400 delegates in attendance, Mr. Premier Rutherford in the chair and the organization of a Provincial Association having the following officers: Hon. President, Sir Wilfrid Laurier; Hon. Vice-President, Hon. Frank Oliver; President, Senator Talbot of Lacombe; Vice-President, R. A. Wallace, High River; Secretary, S. L. Jones, of Calgary. A Resolution was passed which expressed "absolute confidence" in the Rutherford Government. "Mr. Rutherford has surrounded himself with able colleagues, each one of whom has proved worthy of the trust imposed in him; and the administration of Alberta has been thrifty, capable and clean. In its policy of Public ownership of Telephones, the Alberta Government has led the Provinces of Canada. Its Educational policy, and its wise expenditure of money upon public works, have made it deservedly the most popular provincial Government in Canada." The Conservatives met in Convention at Red Deer on June 27th with about 70 delegates present and Mr. W. L. Walsh, K.C., of Calgary, in the chair. A Provincial Association was organized with J. D. Hyndman of Edmonton as President and the following Vice-Presidents: H. L. Landry of Edmonton, O. Bush of Strathcona, J. M. Moran of Fort Saskatchewan, D. L. Darroch of Calgary, A. Gilmour of Lacombe, A. J. Robertson, M.P.P., of High River, and H. S. Allen of Raymond. Mr. R. B. Bennett, K.C., the Leader of the Conservative forces in the 1905 elections, was not present and the only Resolution apparently passed was one of confidence in Mr. R. L. Borden.

Public incidents of the year in Alberta included a successful Temperance Convention at Red Deer, the formation of a Temperance and Moral Reform League for the Province with J. D. Blayney of Edmonton as President and a Temperance delegation to the Premier and his colleagues, on Jan. 25th, which asked for a number of license restrictions with the following Local Option conditions: The permitting of a vote for Local Option in a city, town, or village, instead of in a license district; a straight majority to carry instead of a three-fifths vote; the expense to be borne by the municipality; the law to remain in force, unrepealable, for three years; permission to submit the question every year until carried; a more satisfactory definition of the word "householder." Other matters were the appointment on May 17 of a Commission of Inquiry into the coal industry of the Province (Chief Justice A. L. Sifton of Calgary, Lewis Stockett of Bankhead and William Haysom of Coleman) which is elsewhere dealt with; the question of a Beef combine and the Report of the Commission, appointed by the Alberta and Manitoba Governments, which is also referred to in another place; together with the Provincial action in the Lumber Combine question and the ensuing investigation into general

conditions; the effective services of Hon. W. H. Cushing in the settlement of the Coal mine strike troubles; the creation late in 1906 (Dec. 29) of an Educational Council for the Province composed of N. D. D. Beck of Edmonton, James Short of Calgary, J. F. Fowler of Wetaskiwin, E. H. Rouleau of Calgary, James McCaig of Edmonton; the appointment on June 14th of a Provincial Board of Health composed of Dr. F. H. Newburn, Lethbridge, Dr. C. N. Cobbett, Edmonton, Dr. J. D. Lafferty, Calgary, R. B. Owens, Sanitary Engineer, and Dr. L. E. W. Irving, Provincial Health Officer; the appointment of L. C. Charlesworth (Apr. 5) as acting-Minister of Public Works, of L. D. Parney as Superintendent of Building Construction, of Samuel Edwards as Manager of Government Telephones, of W. A. Buchanan as Provincial Librarian in March, and in succession to him John Blue, B.A., in the following December; the assignment by Royal Warrant, dated May 30, of Armorial Ensigns to the Province.

The General Election in British Columbia

With conditions of reasonable prosperity throughout the Province; with a Government which, upon the whole, had given no cause to the public for fear or suspicion and had many items of good legislation to its credit; with a Conservative Leader in the House, Richard McBride, who possessed many elements of personal popularity and the gift of good platform oratory; with an Opposition Leader in Mr. J. A. Macdonald, K.C., who had the respect of his friends and opponents but not the personal qualities which sway the people and who was under the additional disadvantage of living in far-away Rossland; with a general feeling that party responsibility had bettered public life in the past few years of Conservative rule and that the strengthening of the Government might eliminate the disturbing influence of Socialism in the Legislature; the general elections of 1907 began with the birth of the year. The Government started into the contest with the loss of one of its best campaigners—Hon. R. F. Green, Commissioner of Lands and Works—who had been compelled to retire late in the previous year on account, presumably, of certain unproved charges against his Department and himself which might have had a bad effect upon the result. He was succeeded on the last day of the year by Hon. R. G. Tatlow, Minister of Finance and Agriculture, and Mr. William Manson was sworn in as Provincial Secretary.

The House had been dissolved on Dec. 26th, 1906, with nominations for Jan. 19th and the Elections on Feb. 2nd. On the day after dissolution Mr. J. A. Macdonald issued a Manifesto to the people which included vigorous denunciation of the Government for high taxes and alleged neglect of roads and trails; for a "monstrous" School Act and neglect to protect the forests or to furnish information as to public lands for settlement; for broken promises as to Railways, "back-door" methods in dealing with

public lands, barefaced attempts to make "Better Terms" a party question when the Opposition were equally favourable, alleged subserviency to the C.P.R., and an improper and injurious alliance with Socialism. He described the policy of the Opposition as including the creation of a Department of Labour and Information; a full inquiry into matters of irrigation and the making of a wider distribution of water available for irrigating purposes; forest protection, surveys of Crown lands, aid to immigration by providing small holdings for settlers; repeal of the School Act and return to a State Education system; revision of laws as to placer and dredging leases; no alliance with Socialists or revolutionists but co-operation with properly organized labour interests which would work for reform along constitutional lines.

It cannot be said that the Government and its party were unprepared for the issue. Mr. McBride had been speaking during the past year in every part of the Province; the Government had made the most of that invaluable aid in Provincial contests—a reasonably good grievance against the Federal authorities; the Liberal party had been denounced on all sides for the sin of the Laurier Government in not granting better financial terms to British Columbia as being a country of exceptional difficulties in the matter of public revenue and of exceptional cost in the development of resources; the Premier's refusal, at the Inter-Provincial Conference, to accept the proposed increase of subsidy as being too small and grossly unfair to the Province had been impressed upon the people. To the average voter it was claimed that, eliminating small matters, "McBride had made good" in all the main elements of his Provincial policy and, especially, in his efforts to raise the Province out of depressed financial depths into reasonable prosperity and conditions of credit.

As the elections proceeded there was not very much of the usual corruption talk. It was, however, claimed by the Liberals (Vancouver *World,* Jan. 22) that in 1905 a concern called the Transportation Exploration Company, in which Sir Adolphe Caron of Ottawa was a promoter, applied to Mr. Green, then Commissioner of Lands and Works, for 32 Sections of coal lands on Pine River; that the application was, at first, refused and then granted; that Sir A. Caron transferred $37,000 worth of shares to Mr. Green's Secretary at the request of the Minister; that the concern in question obtained other leases in the Telqua River country. Much was made of this but it appeared that Mr. Green had now gone from the Ministry; that the Government had agreed with him in refusing the Pine River leases which had never really been granted; that the stock in question was given after matters had been concluded as to the Telqua leases with, in any case, a very doubtful value attaching to it. Meanwhile, the chief issue of the campaign, from the Conservative point of view,

was interjected into it by the coming of Mr. W. W. B. McInnes from the Yukon, where he had made an excellent Commissioner for a year or more, but now returned to his first love—political life in British Columbia.

Nominally, the great points of the contest were supposed to be the maintenance of stable government in a Province where frequent changes had meant feebleness and almost financial ruin and the claim of the Province for "better terms." Practically, much of the battle was fought around the person of Mr. McInnes, who had once been a member of the Legislature and of Parliament and a one-time aspirant for the party Leadership. Personally he had been popular and was now given a nomination for one of the Vancouver seats. He was said by the Conservatives to have been sent by Sir Wilfrid Laurier to win and hold the Province in chains to the Federal chariot; to be a mere emissary of Ottawa Liberalism to destroy McBride, eliminate Conservatism from the Government of British Columbia and side-track the troublesome question of "better terms"; to be really the Party leader and future Premier with Mr. Macdonald acting as a warming-pan in the meantime. From the Conservative standpoint this was "good politics" and they certainly made the best of it. Another acquisition to the Liberal party was that of Alex. Henderson, K.C., who retired from the County Court bench to stand as a candidate in Vancouver.

Some of the chief speeches in the campaign, on the Government side, were those made by the Premier, by A. S. Goodeve of Rossland, and by W. J. Bowser, K.C., and G. H. Cowan, K.C., of Vancouver. Mr. McBride spoke at Victoria and Vancouver, New Westminster, Kamloops, Nelson, Rossland and throughout the Interior. These and other speakers made much of the refusal of the Grand Trunk Pacific to begin construction in the Province and described that Railway as a product of Liberal rule at Ottawa and this result as another blow at British Columbia from the Dominion Government; met an allegation as to the C.P.R. owing heavy taxes to the Government and being behind it in this campaign with the explanation that the lands in question belonged to subsidiary lines of the Canadian Pacific and were still free of taxes under grants given many years before the present Government took office; declared that a change of Government now would work serious harm to the country's credit and quoted the London *Financial News* in that respect while Mr. E. E. Billinghurst of Victoria stated on Feb. 1st that the $15,000,000 which the C.P.R. intended to spend on Vancouver Island development was practically ready but that "the underwriting firms which had undertaken to raise the immense sum mentioned were awaiting the outcome of the present political contest before appending their signatures."

On the Liberal side the chief speakers were J. A. Macdonald, K.C., W. W. B. McInnes, and Alex. Henderson. They and others contended that the Liberal Government at Ottawa had never actually refused "better terms" to the Province and that Mr. McBride by his hostility to the Ottawa Administration had made it impossible for him to properly treat with them; met attacks upon Mr. McInnes by the statement that he had resigned a $12,000 position in order to help the Liberal cause and by proof that he was unusually well liked and respected in the Yukon; made much of the alleged alliance of the Socialists in the late Assembly with the Government and their undoubted support of many of its measures, while Mr. Macdonald courageously and frankly denounced Socialism. Mr. McInnes, in Rossland on Jan. 26th, made some reference to Socialism and Labour combined which was freely quoted by the Conservatives to hurt him amongst the miners; in Vancouver there was considerable talk of an alleged difference between Sir Hibbert Tupper and the McBride Provincial wing of the Conservative party. The Vancouver *Province* charged, on the eve of the elections, that there was a conspiracy between Sir Wilfrid Laurier, Mr. McInnes and the Grand Trunk Pacific to bring in 50,000 Japanese labourers to work on the new Railway. In the election, as a whole, there were 21 Socialist candidates; 3 who called themselves Labour candidates; while in Victoria Dr. Ernest Hall, a respected Liberal, ran as an Independent against the regular party ticket; and in Ymir the irrepressible John Houston, of erratic Conservative record, ran under the same designation. These candidates, in most cases, had no chance of success but in the result as it developed on Feb. 3rd they probably drew away votes from the Liberal side and helped the Conservatives. The following were the regular party candidates with the successful one (including three Socialists) given in Italics:

Constituency.	Retiring Member.	Lib. or Cons.	Liberal Candidate.	Conservative Candidate.
Atlin	Dr. H. E. Young	Cons.	John Irving	*Dr. H. E. Young.*
Alberni	Hon. Wm. Manson	Cons.	*H. C. Brewster*	Hon. W. Manson.
Cariboo	J. Murphy	Lib.	*John M. Yorston*	Charles Wilson.
do	Harry Jones	Lib.	*Harry Jones*	L. J. Champion.
Chilliwack	C. W. Munro	Lib.	*C. W. Munro*	S. A. Cawley.
Columbia	W. C. Wells	Lib.	W. C. Wells	*H. G. Parsons.*
Comox	R. Grant	Cons.	J. W. Bennett	*R. Grant.*
Cowichan	J. N. Evans	Lib.	J. N. Evans	*W. H. Hayward.*
Cranbrook	Dr. J. H. King	Lib.	*Dr. J. H. King*	J. A. Harvey.
Delta	John Oliver	Lib.	*John Oliver*	F. B. Mackenzie.
Dewdney	Hon R. McBride	Cons.	Robert Jardine	*Hon. R. McBride.*
Esquimalt	Hon. C. E. Pooley	Cons.	*John Jardine*	Hon. C. E. Pooley.
Fernie	W. R. Ross	Cons.	Wm. Dicken	*W. R. Ross.*
Grand Forks	George Fraser	Cons.	H. W. Gregory *John McInnis (Soc.)*	Ernest Miller.
Greenwood	J. R. Brown	Lib.	*E. Naden*	E. G. Warren.
Islands	T. W. Paterson	Lib.	T. W. Paterson	*A. E. McPhillips.*
Kamloops	Hon. F. J. Fulton	Cons.	J. D. Swanson	*Hon. F. J. Fulton.*
Kaslo	Hon. R. F. Green	Cons.	John Keen	*Neil F. McKay.*
Lillooet	A. McDonald	Cons.	*M. Eagleson*	A. McDonald.
Nanaimo	J. H. Hawthornthwaite	Soc.	H. Sheppard *J. H. Hawthornthwaite (Soc.)*	Dr. S. O'Brian.
Nelson	J. Houston	Cons.	*Dr. G. A. B. Hall*	J. A. Kirkpatrick.
Newcastle	Parker Williams	Soc.	J. B. Cairns	*Parker Williams (Soc.)*

Constituency.	Retiring Member.	Lib. or Cons.	Liberal Candidate.	Conservative Candidate.
New Westminster	T. Gifford	Cons.	F. W. Howay	*T. Gifford.*
Okanagan	Price Ellison	Cons.	Dr. Macdonald	*Price Ellison.*
Revelstoke	T. Taylor	Cons.	R. Cayley	*Thomas Taylor.*
Richmond	F. L. Carter-Cotton	Cons.	J. W. Weart	*F. L. Carter-Cotton.*
Rossland	J. A. Macdonald	Lib.	*J. A. Macdonald*	Lorne A. Campbell.
Saanich	H. Tanner	Lib.	H. Tanner	*D. M. Eberts, K.C.*
Similkameen	L. W. Shatford	Cons.	Smith Curtis	*L. W. Shatford.*
Skeena	C. W. D. Clifford	Cons.	*Dr. W. T. Kergin*	W. R. Lord.
Slocan	Wm. Davidson	Soc.	A. B. Docksteader	*Wm. Hunter.*
Vancouver (1)	Hon. R. G. Tatlow	Cons.	R. P. McLennan	*Hon. R. G. Tatlow.*
Vancouver (2)	Hon. C. Wilson	Cons.	J. W. D. Farris	*Dr. G. A. McGuire.*
Vancouver (3)	J. F. Garden	Cons.	Alex. Henderson	*J. F. Garden.*
Vancouver (4)	W. J. Bowser	Cons.	T. F. Neelands	*W. J. Bowser, K.C.*
Vancouver (5)	A. H. B. Macgowan	Cons.	W. W. B. McInnes	*A. H. B. Macgowan.*
Victoria (1)	R. L. Drury	Lib.	R. L. Drury	*Hon. R. McBride.*
Victoria (2)	W. G. Cameron	Lib.	W. G. Cameron	*H. B. Thompson.*
Victoria (3)	J. D. McNiven	Lib.	J. D. McNiven	*Henry Behnsen.*
Victoria (4)	R. Hall	Lib.	R. Hall	*Fred. Davey.*
Yale	Stuart Henderson	Lib.	*Stuart Henderson*	C. A. Semlin.
Ymir	H. Wright	Cons.	J. F. Hume	*J. H. Schofield.*

The net result gave the McBride Government 26 Conservative supporters, the Liberal party 13 supporters, the Socialist organization 3 supporters. There were some notable incidents in this result. Mr. Premier McBride headed the poll in Victoria City, carried his local ticket of three with him to success, and thus defeated the four local Liberals who sat in the last Legislature; Vancouver returned, as before, a solid Conservative contingent; Mr. Macdonald carried Rossland but his chief lieutenants—W. W. B. McInnes and Alex. Henderson were defeated; Hon. W. Manson, the new Provincial Secretary, was beaten in Alberni; Messrs. D. M. Eberts, K.C., and A. E. McPhillips, K.C., one-time Conservative Ministers, came back to public life; J. H. Hawthornthwaite, the Socialist leader, held his seat at Nanaimo and all the Ministers except Mr. Manson were returned. The Premier, who had been elected for two seats, decided to represent Victoria and in a bye-election W. J. Manson (Cons.) was elected for Dewdney in his place.

Government and Legislation in British Columbia

Following the elections there were two vacancies to fill in the Cabinet and the names of A. E. McPhillips, K.C., formerly Attorney-General, D. M. Eberts, K.C., a member of several previous Ministries, W. R. Ross of Fernie and W. J. Bowser, K.C., of Vancouver, who had done special service in the recent contest, were prominently mentioned. On Feb. 26th Dr. Henry Esson Young, B.A., M.P.P. for Atlin, was appointed Provincial Secretary and Minister of Education. Later in the year Dr. Young was honoured with an LL.D. from his *Alma Mater,* the University of Toronto. On July 24th Mr. William John Bowser, B.A., K.C., was gazetted Attorney-General of the Province—the Hon. Mr. Fulton retaining his other post of Commissioner of Lands and Works. Both Ministers were re-elected; the former by acclamation and the latter by 2,364 against 521 votes given to a Socialist named Kingsley. It was decided early in the year that

THE HON. RICHARD MCBRIDE, M.P.P.
Prime Minister of British Columbia.

something must be done to prevent, if possible, the decisions of the Inter-Provincial Conference of 1906,* so far as they related to British Columbia, being incorporated in the British North America Act under the proposed amendment accepted by the Canadian Parliament and forwarded for approval to the Imperial Parliament.

In the Commons at Ottawa, on Apr. 25th, there had been some discussion of the Resolutions embodying the desires of the Conference and Messrs. W. B. Northrup, H. Bourassa and A. Martin had joined in saying that the information as to British Columbia's needs was not sufficient to enable members to judge whether the special $100,000 a year grant, for 10 years, was a large enough allowance. On Apr. 2nd Mr. Premier McBride was authorized by Provincial Order-in-Council to carry to the Imperial authorities British Columbia's claim for better terms from the Federal Administration in the matter of financial subsidies. He was appointed "special agent and delegate" for the Province and carried with him, also, the undoubted mandate of the people as expressed in the general election. By the 18th Mr. McBride was in Montreal on his way to London where, as soon as he arrived, he put the matter before Lord Elgin and had prolonged conferences with Mr. Winston Churchill, Under Secretary for the Colonies, who had charge of the Bill in the Commons.

During the 2nd reading of this measure on June 21st Mr. Churchill stated that the words "final and unalterable" in the original draft of the Bill and which referred to the new arrangements as to Provincial Subsidies, had been eliminated because they were unusual and unsuitable in a Parliamentary sense, and he trusted that this would be also acceptable on account of the case now made out with "great frankness and much force" by the Premier of British Columbia for special treatment to his Province and for full liberty to urge its claims in the future. Eventually the measure passed the Commons without the words mentioned. There were naturally many expressions of congratulation on Mr. McBride's success. The Conservative Association of Victoria met and cheered for its Leader and the *Colonist* declared that he had won a position in national politics and had done honour to his Province. In London he was banqueted by Canadian residents on June 4th and Mr. T. P. O'Connor described him in his paper as "a young giant with a will of iron underneath an agreeable exterior." Mr. McBride spent a day or two in Paris and on July 8th was in Montreal on his way home.

To the press of that City he predicted a Conservative Canada at the next election from the Ottawa River west to the shores of the Pacific and at the Lafontaine Club was accorded a rousing

* Note—See *Canadian Annual Review* for that year.

reception by the Conservative Associations of Montreal. Great preparations were made at the Coast to welcome the Premier who had, presumably, defeated the expressed aim of the Inter-Provincial Conferences of 1897 and 1906 and the avowed policy of Sir Wilfrid Laurier and Mr. Fielding to make this subsidy settlement a final and permanent one. In Vancouver at least 20,000 people welcomed him on the 12th while deputations from New Westminster and elsewhere were in attendance; in the latter place (his home-town) on the same evening and in Victoria on the 15th similar public greetings were given. In New Westminster Mr. McBride said he bore a letter from the Secretary of State for the Colonies intimating that the objectionable words would not appear in the Bill as finally passed. Meantime, however, something had happened. Sir Wilfrid Laurier and his Ministers were in London at the Conference and they must have brought overwhelming pressure to bear upon the Colonial Office as, on the occasion of his Victoria meeting, Mr. McBride received a cable—which he at first refused to credit—stating that the words "final and unalterable" were to be re-inserted in the House of Lords. This was not the case as Lord Elgin pointed out in a cable on July 18th. But in response to a request from the Dominion Government the original Address from the Conference to the Canadian Parliament had been inserted in a schedule to the Bill. The Colonial Secretary stated that this could not affect future negotiations between the Province and the Dominion.*

The 1st Session of the eleventh Legislature met at Victoria on Mar. 7th and was opened by Mr. James Dunsmuir, Lieut.-Governor, with a Speech from the Throne in which he referred to the general prosperity in the Province, the satisfactory state of the finances and the continuous expansion of Provincial industries—mines, fisheries, forests, fields and orchards; mentioned the Inter-Provincial Conference and the Dominion Government's "acknowledgment of British Columbia's right to 'better terms'"; mentioned steps having been taken to assert Provincial rights in the lands set apart as Indian Reserves and negotiations which promised a desirable class of immigrants from the United Kingdom; indicated several measures for coming consideration. Mr. D. M. Eberts, K.C., was unanimously elected Speaker; the Address was moved by H. H. Thomson of Victoria and G. A. McGuire of Vancouver and passed on the 12th; the first division of the Session showed a Government majority of six and it varied afterwards from that up to eleven. A Resolution was passed on Mar. 25th, by a vote of 20 to 9, reviewing the Inter-Provincial Conference proceedings, approving the attitude taken by Mr. McBride, declaring $100,000 additional grant for 10 years as entirely inadequate compensation for the recognized claims of British Columbia, urg-

* NOTE –This and other correspondence was included in an official Report presented to the Legislature, Jan. 17, 1908.

ing the appointment of an impartial Dominion Commission to investigate conditions. An amendment, moved by Mr. J. A. Macdonald, with Liberal support, censured the Premier's position at the Conference but declared the proposed allowance inadequate. It was rejected by the same division. Elaborate speeches were delivered by Messrs. McBride and Macdonald.

On Apr. 4th the Hon. R. G. Tatlow, Minister of Finance—who was also acting-Premier and Leader of the House during Mr. McBride's absence—presented his annual Budget. He stated that the estimated revenue for the year ending June 30, 1906, was $2,559,376; the actual revenue $3,044,442. Timber royalties and leases, land sales and the mineral tax, were mainly responsible for this increase. The expenditure was $2,677,645 or $56,000 more than was estimated; the surplus was $366,767. Of the receipts $307,076 came from Dominion Subsidies, $189,391 from Land Sales, $120,019 from Land revenue, $609,492 from Timber leases and royalties, $171,193 from Mining fees, etc., $108,000 from various licenses and fees, $30,332 from Succession Duties, $179,721 from Revenue tax, $301,765 from real property tax, $134,587 from personal property tax, $101,308 from wild land and coal and timber-land tax, $83,834 from income tax, $161,904 from Mineral Tax, $107,587 from coal-royalty tax. Of the expenditures $713,063 went on Public Debt, $253,634 on Civil government (salaries), $235,137 on administration of Justice, $47,765 on Legislation, $157,822 on maintenance of public institutions, $107,571 on Hospitals and Charities, $418,937 on Education, $452,726 on Public Works of all kinds. For the year ending June 30, 1907, Mr. Tatlow's estimated revenue was $2,647,976 and expenditures $2,837,916, while the anticipated receipts for 1907-8 were $3,286,476 and the expenditures $3,343,205. These deficits would, he pointed out, be fully covered by the 1906 surplus but, as a matter of fact, the whole situation was afterwards changed by a rapid growth in Timber and other revenues, which ensured another surplus. The liabilities of the Province on June 30, 1906, were $13,133,693, chiefly loans in London, with assets of $5,027,000.

Of the Session's legislation the chief measure was, perhaps, the University Bill (Hon. H. E. Young) under which the Government was authorized to set apart 2,000,000 acres of land as an endowment of four Faculties in the projected University of British Columbia. The Liberals and Socialists strongly opposed so large a grant—the latter being unwilling to go above 150,000 acres. Mr. A. H. B. Macgowan (Cons.) also voted against it as being "class legislation" and opposed to the McGill institution lately established in Vancouver. This member, in a press interview on Apr. 22, openly criticized the Government for its course during the Session. Acts were passed creating a Provincial Court of Appeal composed of four Judges; amending the Election Act

so as to exclude Hindus from obtaining a vote; regulating immigration into the Province by imposing the language text (English or European); giving Smelter employees an 8-hour day; consolidating and amending the Succession duties Act; assessing and taxing companies; amending the Assessment Act with special reference to salmon canneries; amending the Land Act so as to revise the classification and values of Public lands; increasing the Civic powers of the corporation of Victoria. The House was prorogued by His Honour on Apr. 25th after all its measures but the one restricting Immigration had been assented to. This latter was practically the Bill so often before disallowed at Ottawa and Mr. Dunsmuir withheld the Royal assent.

There was a prolonged and vigorous controversy toward the end of the year as to this Asiatic exclusion measure—usually called the Bowser Bill from the name of its spokesman. It was claimed by Liberals that the Lieut.-Governor could not refuse his assent to this measure without his Ministers being constitutionally responsible for his action and that either he or they should resign office as it had been carried through the House by the Attorney-General. The situation was further complicated by the fact of Mr. Dunsmuir being owner of the Wellington Collieries which employed and required Asiatic labour; and by a statement made by Hon. Mr. Templeman, Minister of Inland Revenue (Vancouver *Province,* Sept. 10), in the following terms, as to an alleged conversation between Mr. McBride and the Secretary of State (Mr. Scott) at Ottawa: " The Provincial Legislature was sitting at the time and Mr. Premier McBride was asked by Mr. Scott if the Bill affecting the Japanese which had passed the House was likely to become law. Mr. McBride assured the Secretary that the Lieut.-Governor would not give it his assent; the presumption being that the Premier had so advised the Lieut.-Governor. The Lieut.-Governor on Apr. 23 was asked by wire to corroborate the statement made by Mr. McBride and on the following day Mr. Dunsmuir did so, and in an official letter of April 29, stated his reasons for withholding his assent, the ground being that the Act was a modified form of other Acts dealing with the same subject which had already been disallowed and also because if it were to become law it would seriously affect international relations.

This aroused a spectacular and political controversy. Mr. McBride asserted and maintained with vigour that he had never advised the Lieut.-Governor to withhold his assent and that statements such as the above were absolutely false; while the Conservative press claimed that His Honour had taken this action by the wish of the Dominion Government. A telegram was made public, dated Apr. 23rd, 1907, from Hon. R. W. Scott to Mr. Dunsmuir, saying that " Your Premier, Mr. McBride," advised him that the Bill would not be approved and inquiring if he could rely on this assurance. His Honour replied that " Bill referred to will not

have my assent." An air of comedy eventually attached to the whole subject by the discovery that the Bill itself was really inoperative owing to the use of the word "lawful" instead of "unlawful" as applied to the immigration in question. It had so passed the critics, members, committees, and the Legislature and been so printed in the Statutes of the Province. Mr. Bowser described the whole thing as a printer's error and the original draft of the Bill as being correct.

A Provincial Liberal Convention was held in Vancouver on Oct. 1-3, for the first time since 1902, with 250 delegates present, an Association was formed for the Province, and a constitution prepared by Mr. J. A. Macdonald offered and accepted. Resolutions were passed (1) favouring the reservation of unoccupied Crown coal-lands with a view to the future establishment of State-owned and controlled mines; (2) asking for Provincial inquiry into Irrigation conditions and the relegation of personal property taxation to the municipalities; (3) urging further surveys of Crown lands and their disposition to settlers and not speculators; (4) demanding free text-books in the schools and reasonable encouragement of white immigration; (5) favouring a more business-like administration of affairs, reduced taxation and the setting aside of a part of the public domain for Educational purposes; (6) endorsing the party policy as to "better terms" and deprecating the Premier's attitude; (7) asserting Mr. McBride's responsibility for the Lieut.-Governor's action in the Asiatic labour bill and demanding his assumption of responsibility or resignation; (8) supporting the policy embodied in Mr. Bowser's measure and the re-enactment of legislation similar to the existing laws in Natal.

In the same City a Conservative Convention was held on Nov. 22-24 with about 400 delegates in attendance. A Provincial Association was organized* and Resolutions were passed dealing with Provincial issues as follows: Approving the policy of the McBride Government as the cause of present Provincial prosperity, praising the Premier's "better terms" advocacy and pledging him entire support in his campaign for the rights of the Province; endorsing the Government's action as to Asiatic immigration and censuring Dominion policy in that respect; favouring a five-year Census in British Columbia and a re-adjustment of Indian reserve areas; eulogizing the Provincial Government's inquiry into Irrigation affairs and conditions. The Convention was presided over by Mr. C. M. Woodworth and addressed by the Premier, Hon. W. J. Bowser, W. R. Ross, M.P.P., A. E. McPhillips, K.C., and others.

Other public incidents of the year must be briefly summarized. In January the Government declined to relinquish certain rever-

* NOTE—For officers elected see page 468 of this volume.

sionary rights in lands recently purchased from the Indians by the Grand Trunk Pacific Co. through the Dominion Government and located near the site of Prince Rupert; in August Mr. Justice W. H. P. Clement tried a libel suit of Hon. R. F. Green against the Vancouver *World* and, in giving verdict for the newspaper, made severe strictions upon the conduct of Sir A. P. Caron in that matter—the latter replying in an open letter which denounced the Judge for showing partisan bias; at the end of November the Minister of Finance was able to repay one-half of the $1,000,000 loan which had tided the Province over its troubles in 1903-4; the assumption of Provincial control of the Fisheries under the legislation of 1901 and consequent regulations was proclaimed in June; the appointment was made in August of an Irrigation Commission composed of Hon. F. J. Fulton (Chairman), Commissioner of Lands and Works and Prof. L. G. Carpenter, State Engineer of Colorado, with R. F. Childs as Secretary, which visited the fruit and other centres interested in this subject and submitted an elaborate Report as to conditions; in the autumn the 4th gold medal for fruit, won by British Columbia from the Royal Horticultural Society of London, was awarded; by Order-in-Council of Dec. 22nd the unstaked timber of the Province was placed under reserve or Government control and, earlier in the year, eight townships of the "railway belt," by agreement with the Dominion Government, were set aside as Forest Reserves; in February Mr. A. C. Flumerfelt of Victoria offered a prize of $50 for the best essay on British Columbia's resources and conditions, some 40 competitors responded and the winner was Mr. C. H. Mackintosh, ex-M.P.; on April 15 Mr. E. O. S. Scholefield, Provincial Librarian, was given a presentation by each party in the Legislature upon the occasion of his marriage; the announcement was made in the Spring that the Provincial Attorney-General would not prosecute for infraction of the Dominion Lord's Day Act. The appointments of the year included that of Chief Justice Gordon Hunter as Administrator in the absence of the Lieut.-Governor; F. W. Howay, K.C., as County Court Judge at New Westminster; G. H. Barnard and R. T. Elliott of Victoria, R. L. Reid and A. D. Taylor of Vancouver and J. A. Harvey of Cranbrook as King's Counsel; W. J. Goepel of Nelson as Deputy Commissioner of Lands and Works; George Jay as Police Magistrate of Victoria; and William Manson, ex-M.P.P., as Government Agent at Port Simpson.

Conditions and Events in Yukon Territory

The retirement of Mr. W. W. B. McInnes, Commissioner of the Yukon, at the end of 1906 to take part in the British Columbia elections, left a vacancy which was not filled for six months. Amongst the candidates were J. T. Lithgow, for years a permanent official in the Territory, and Robert Lowe, an elective member of the Yukon Council. Mr. Ralph Smith, M.P., of Nanaimo, B.C.,

declined the appointment and it was given on June 17 to Alex. Henderson, K.C., who had resigned from the County Court bench in British Columbia to help Mr. Macdonald and the Liberals in the recent elections. About the same time E. C. Senkler was appointed Legal Adviser to the Yukon Council in place of F. T. Congdon, resigned, and F. X. Gosselin became Gold Commissioner. Meanwhile, on Apr. 17, there was an election for the Yukon Council—in which 5 members were appointed by the Dominion Government and 5 elected by the people. Messrs. Robert Lowe, T. J. Kearney and John Grant (Liberals), J. O. Lachapelle (Ind.), and George Black (Cons.), were elected. Two candidates whose special platform was the closing of the notorious music halls in Dawson were defeated.

In this connection the Rev. Dr. John Pringle of Dawson carried on throughout the year, as he had previously done, a vigorous crusade in the press, in correspondence, in the pulpit, and in public meeting, against the alleged official recognition of gambling and immoral dance halls in that city. The Toronto *News* in particular took the matter up and published elaborate letters from Dr. Pringle; Hon. G. E. Foster drew the Government's attention to it in Parliament on Mar. 12th and it was discussed in the Senate on the 19th; the Winnipeg *Telegram* and other Conservative papers added these charges to their original indictment of the Government's management of that Territory; Dr. Thompson, M.P. (Cons.), and the Minister of the Interior were inclined to belittle the allegations in speeches and interviews; a deputation of Anglican, Methodist and Presbyterian Ministers waited on Sir Wilfrid Laurier and Mr. Oliver on Nov. 5 and asked for better Sabbath observance in the Yukon, and stricter enforcement of the laws relating to morality and the sale of liquor. They were assured of careful inquiry and enforcement of the law. In the *News* of Nov. 30 Dr. Pringle was able to report some amelioration of conditions through the belated action of the Yukon Council. In that body on Aug. 15th Mr. Justice Dugas roundly denounced the evils complained of and Dr. Lachapelle and Mr. Grant stood strongly for amendment of the law. Commissioner Henderson was also understood to support reform and on his arrival at Dawson (July 15) referred in his speech to the necessity for "moral diligence."

In Parliament on Mar. 12th Dr. Thompson described the needs of the Yukon as including (1) an entirely elective Council, (2) curtailment of hydraulic concessions and the freer opening of lands to the prospector, (3) assistance to the prospector in getting to the undeveloped regions, (4) establishment of an Experimental agricultural station, (5) introduction of wireless telegraphy. Hon. Mr. Oliver in reply intimated that the present Council might be the last under the present system. On Apr. 19 the Report of Mr. Augustus Power, K.C., a Dominion Commissioner to examine into

certain charges against F. T. Congdon, late Legal Adviser and one-time Commissioner in the Yukon, was made public. Practically, the charges involved the use of an official position to further private financial transactions and the Report reflected severely upon Mr. Congdon. Dr. Thompson announced on July 18 that the Dominion Government would grant $100,000 to aid the Yukon in making a display at the coming Seattle Exposition; on Nov. 1st a Young Men's Conservative Association was organized at Dawson with Hon. R. McBride as Hon. President, J. G. H. Bergeron, M.P., as 1st Hon. Vice-President and Hon. F. W. G. Haultain as 2nd Hon. Vice-President; the Yukon Council in September appointed a Committee to bring the Boyle Concession matter before the Government and passed a Memorial asking for an all-Canadian railway from some Canadian transcontinental line to Dawson.

Government and Legislation in Nova Scotia

This Province had a good year in 1907 so far as Agriculture and the general condition of its industries were concerned. At Amherst on Aug. 1st there was inaugurated by the Lieut.-Governor (Mr. D. C. Fraser) the first plant on the American continent for the generation of electricity at the mouth of a coal mine and the event won a congratulatory telegram from Mr. T. A. Edison. Politically the year was a quiet one. The Hon. G. H. Murray continued to lead his Government with success and, if attack and criticism from opponents are indications of influence, the Hon. B. F. Pearson, Minister without Portfolio, journalist and newspaper owner, capitalist and contractor, financier and promoter, was the next most important member of the Government. His wide financial dealings and connection with the Halifax *Chronicle* and *Echo* and the St. John *Sun* and *Star* had brought him into touch with Federal as well as Provincial issues of a political nature. Another Minister without Portfolio, the Hon. A. H. Comeau, retired early in the year to take a seat in the Senate and was replaced, on Mar. 2nd, by Hon. Jason Miller Mack, a member of the Legislative Council since 1886. On Mar. 23rd several other changes took place in consequence of the appointment of Hon. Arthur Drysdale, Attorney-General, to the Supreme Court of the Province. He was succeeded by the Hon. William Thomas Pipes, M.L.C., who had been Premier in 1882-4 and a member of the Government since 1898. The Hon. Christopher P. Chisholm was appointed Commissioner of Public Works in place of Mr. Pipes and Mr. O. T. Daniels, K.C., of Bridgetown, became a Minister without Portfolio. Messrs. Henry S. Leblanc, M.P.P., and James Macdonald, M.P.P., were also appointed on the 25th as Ministers without Portfolio.

In the bye-elections of 1907 Mr. J. William Comeau was elected for Digby without opposition in place of the Hon. A. H. Comeau and Mr. James O'Brien (Lib.), High Sheriff of Hants, was

elected on July 17th in succession to Mr. Drysdale and by a vote of 2,030 to 1,883 over Everett A. O'Brien (Cons.). This latter contest was a very active one and a vigorous effort was made by the Opposition leader, Mr. C. E. Tanner, to capture the seat for his party. Prohibition was made a vital issue and Prof. E. A. Sawyer, now of British Columbia, but long an active Temperance worker in Nova Scotia, wrote and spoke in favour of the Conservative candidate as representing the best and strongest Temperance advocacy. On the other hand the Government supporters quoted the recent Convocation utterance of President Forrest of Dalhousie University, a Conservative by conviction, eulogizing Mr. Premier Murray for his Agricultural and Technical Education policy and declaring that he would be remembered in that respect "as a statesman" when the ordinary run of politicians were entirely forgotten.

An effort was made by the Government to promote immigration and a better knowledge of Provincial conditions by the creation of a Department of Industries and Immigration of which Arthur S. Barnstead, barrister and journalist, and Clerk of the Legislative Assembly, was, on Oct. 10, appointed Secretary. Under the Act of the preceding Session the duties of this official were to include the collection, arrangement and circulation of facts and statistics relating to the agricultural, industrial and other interests and resources of the Province and the promotion of Immigration from other countries. Speaking at Shelburne, on Oct. 2nd, the Hon. G. H. Murray referred to the industrial condition of the Province and proceeded as follows: "If you were to ask me to-day what was the most important problem to be confronted I would say it would be the increase of our population. We should have a great many more people in Nova Scotia, and I believe that this Province, rich as it is in natural resources, could give to an increased population happy and contented homes." He went on to speak of the movement in the past out of the Province rather than into it; of the absolute necessity for more men in the now-developing industries of Nova Scotia; of the limitations confronting the Government but which must be overcome and a beginning made; of the Western fever having now run its course and leaving room for greater Eastern progress. On Nov. 22nd it was announced, after conferences between the Provincial Government and Mr. W. D. Scott, Dominion Superintendent of Immigration, that the Federal authorities would appoint three men to act as Special Agents for Nova Scotia in England and Scotland.

Agricultural development was encouraged and also largely discussed during the year. The work of the College of Agriculture at Truro (with an attendance of 30 at its April session and of 35 at its November session) was increasingly popular and, in addressing the N. S. Farmers' Association on Jan. 29th, President

Miles Chipman said: "Our young farmers to-day have advantages in the Agricultural College which have never been before equalled. The buildings are well equipped and an able staff of teachers has been secured who are doing good work for the Province. It is time that farmers learned that the College was created for them and their sons, and it is their duty and privilege to take advantage of the opportunities offered." On May 6 Mr. Melville Cumming, B.A., B.S.A., who had proved so successful a Principal of this College, was also appointed Secretary of Agriculture for the Province in succession to the late B. W. Chipman. This Department carried on an active campaign for improvement in breed, the better management of live-stock, and the education of farmers, generally, in progressive methods. A special stock of horses and sheep were imported for this purpose.

The creation of a Technical College for the Province was one of the most important incidents of the Legislative Session; its organization followed shortly afterwards. On May 6th Mr. Frederick H. Sexton, Professor of Mining and Metallurgy at Dalhousie University for the past four years, an expert in research and instruction, and described as young, enthusiastic and energetic, was appointed Director of Technical Education in Nova Scotia. He was also to be Principal of the Technical College when established. This proposal and policy were well received. At a meeting on Mar. 11th of representatives from all the Provincial Colleges, the Halifax Board of Trade, and the Nova Scotia Mining Society, a Resolution of satisfaction was passed at the Government's action and, later on, a Governing Board for the proposed Technical College was appointed which included Principal Sexton, Bishop Worrell, Professor F. R. Haley of Acadia College, Dr. W. W. Andrews of Mount Allison, Dr. Eben MacKay of Dalhousie, and others.

An incident of the year was Sir F. Borden's effort to obtain the co-operation of the Government of Nova Scotia in the introduction of military drill and training into the schools. Some understanding was arrived at along the line of (1) teaching the subject in Provincial schools and (2) help from the Militia Department in providing competent instructors for the teachers together with a yearly bonus to the latter. On Aug. 22nd it was announced that the Provincial Government had appointed Walter Crowe, K.C., of Sydney, S. B. McNeil of Glace Bay, Hon. R. Drummond, M.L.C., of the *Mining Record,* and William Hodge, miner, of Springhill, as a Commission to examine into and report on the feasibility of adopting some scheme for providing Old-Age pensions for workmen and such as, either by themselves or in conjunction with their employers, established benefit or relief societies; also to examine into and report on the organization and administration of all Relief societies organized under Provincial laws. A very pronounced and popular crusade was carried on in

the winter by Tennyson Smith, an English Temperance speaker. He addressed crowded and enthusiastic meetings in Yarmouth, Westville, Lunenburg, Kentville, Halifax, Windsor, Sydney and other points and Resolutions were usually passed of a more or less vigorous nature. On the other hand Cape Breton County voted for repeal of the Canada Temperance Act and Mr. F. Blake Crofton wrote some earnest letters in the press declaring Prohibition impracticable and soon to be known as a lost cause. The Presbyterian Synod at Halifax, on Oct. 3rd, reported against the License system and also scored the Canada Temperance Act as ineffective. In connection with some delay in giving effect to a local vote for incorporation, the citizens of Middleton on June 15, burned Mr. Premier Murray in effigy. Amongst the public appointments made in Nova Scotia during 1907 were F. L. Fuller of Truro as Superintendent of Agricultural Societies; John D. Currie of Maitland as Sheriff of the County of Hants and George G. Sanderson of Yarmouth as Member of the Legislative Council. Several important appointments to the Bench were made by the Dominion Government. Besides Mr. Drysdale's appointment on Mar. 13th, F. A. Lawrence, K.C., M.P., of Truro, was appointed on Nov. 2nd, while, on the same date, the Hon. Charles James Townshend was promoted to the Chief Justiceship. Mr. George Patterson, ex-M.P.P., was made a County Court Judge on Jan. 26th and Sanford H. Pelton, K.C., on Apr. 17th.

The 1st Session of the 34th Parliament of Nova Scotia was opened by His Honour, D. C. Fraser, on Feb. 14th with a Speech from the Throne which referred to the progress and prosperity of the past year and the growth of the coal-mining industry; dealt with the increasing value and efficiency of the Agricultural College at Truro; described the completion of the Halifax and South Western Railway from Halifax to Barrington, the operation of trains on the Middleton and Victoria Beach Railway, the consequent rounding off of a system under contract for some years, and the necessity of legislation consolidating the securities involved; referred to the Inter-Provincial Conference and the coming grant of additional subsidies; promised measures dealing with the construction of the much-desired Halifax and Eastern Railway, the establishment of a School of Engineering, the providing of better administration for roads, and securing desirable immigrants for the Province. There was the rather unusual spectacle of a debate and division over the re-election of Hon. E. M. Farrell, Speaker in the preceding Assembly. Mr. C. E. Tanner, Leader of the Opposition, pointed out that Mr. Farrell had been mixed up in the election trial which had resulted in Mr. W. S. Fielding being unseated in 1906 and stated that Chief Justice Weatherbe, in giving judgment, had described him as one of the agents for whose conduct the election was voided. He quoted the words used and applied them to the point at issue. The Hon. Mr.

Drysdale, in replying, said that there was no proof of any improper conduct on Mr. Farrell's part. "It did transpire in connection with the trial that Mr. Farrell had collected a small fund for the purpose of defraying the legitimate expenses incidental to the campaign and that this sum was entrusted to a reputable business man named Seldon. Beyond that Mr. Farrell's name was not mentioned in the trial." If some of this money was corruptly used he had nothing to do with it. Mr. Farrell was duly elected Speaker by a vote of 26 to 5.

The Address was moved by R. E. Finn and seconded by E. H. Armstrong. On Feb. 15th Mr. Tanner and Mr. C. S. Wilcox, Conservative leader in a previous Legislature, made an elaborate and combined attack upon the policy, or lack of policy, of the Government and dealt especially with the question of Prohibition. They moved the following amendment: "The House regrets that reference is not made to the traffic in intoxicating liquors and is of the opinion that the Government should immediately deal with that vital subject by means of a Provincial prohibitory measure." Mr. Premier Murray, in replying, described the Government policy as one of encouraging and enforcing Local Option, under which a majority of the counties were now working. A prolonged debate followed and on the 16th Mr. Drysdale, Attorney-General, declared that there was no such thing as "Provincial prohibition" and no power resting in the Provinces to prohibit the importation or manufacture of intoxicants. The division was taken on Feb. 28 when the vote was 25 against the amendment to 6 for it—Mr. C. A. Campbell, Independent, voting with the Opposition. The Address was then passed.

On Feb. 27 the Premier presented one of the important items of the Session's legislation and what the Liberal press described as an epoch in the industrial history of Nova Scotia. The outstanding features of the Technical Education Bill, which in due course became law, were: (1) The establishment of a central institution of university grade in the City of Halifax, to be called the "Nova Scotia Institute of Technology," for the purpose of affording instruction and professional training in metallurgical, civil, mining, mechanical, chemical and electrical engineering and for the purpose of scientific research; (2) the establishment of subsidiary technical schools in industrial centres; (3) the continuation and enlargement of the Government mining schools, under the direction of the Director of Technical Education; (4) the appointment of a Director of Technical Education who would be Principal of the Nova Scotia Institute of Technology with supervision over the entire system of technical education. Mr. Murray's speech was brief and indicated the expenditure of $100,000 in providing and equipping the proposed College together with an expenditure of $30,000 on current account. There was much discussion of the proposals but no serious opposition; Mr. Tanner,

for the Conservatives, declaring that only as a matter of choice between the encouragement of technical education and help to the common schools, would he vote against the former. As it was he hoped for both.

The Premier's measure for establishing a Secretariat of Industries and Immigration was presented on Mar. 19th and evoked a discussion on the general question of encouraging immigrants. Mr. Murray did not have any very definite policy in the matter. "His own idea was that it might be advisable not to trust to the haphazard immigrant, but to have a special agent go and select men in whom we could have confidence that if they came here they would make good farmers and take hold of things. He did not say that he would assist them without having some security but it might be worth while, in order to see what could be done, to expend from $8,000 to $10,000. They had granted the Salvation Army $500 and he understood that 250 immigrants or so had already been brought in. Mr. Tanner wanted exclusiveness and selection; Mr. Wilcox wanted consideration to be first given young Nova Scotians who might otherwise leave the Province. Another Bill of Mr. Murray's provided for the appointment of a Commission to investigate Old Age pension conditions in the Province. Mr. Tanner claimed that the Opposition had been advocating this policy for years.

Perhaps the most discussed subject during the Session was that of Prohibition. On Mar. 26th Mr. E. H. Armstrong (Lib.), who had presented a Prohibition Bill to the House, was ruled out of order on the ground, suggested by the Premier, that a private measure could not deal with financial matters and, on Apr. 3rd following, he proposed this Resolution: "That in the opinion of this House the Government should introduce and give its support to legislation dealing with the traffic in intoxicating liquor similar to the Bill (as above) entitled An Act prohibiting the sale of intoxicating liquor, introduced to this House on Feb. 28th last at the instance of the Nova Scotia Temperance Alliance." After a debate covering a very varied field of experience and conclusion Mr. C. F. Cooper (Lib.) moved the following amendment: "Whereas in twelve counties of the Province of Nova Scotia the electors have by popular vote brought the Canada Temperance Act into force; and whereas in the remaining six counties of the Province the Nova Scotia Liquor License Act is in force; and whereas under this legislation, evils have arisen from the fact that liquor is being imported from other counties and Provinces in which no licenses are issued; therefore resolved that this House, in so far as it is within its powers, should enact such legislation as will prohibit the sending of liquor into counties in which no licenses are issued; and further resolved that this House do place on record its desire that the Parliament of Canada should enact such amendments to the Canada Temperance Act as will prohibit the importa-

tion of liquors into counties in which the Canada Temperance Act is in force; and also, further resolved, that this House declares its adherence to the principle of the enforcement of such legislation by the town and municipal authorities."

Mr. C. E. Tanner (Cons.) moved in further amendment that Mr. Armstrong's original Bill should be accepted by the Government and the House and that the Dominion Government be also asked to supplement the measure by a general Prohibitory law so far as Nova Scotia was concerned. Mr. Tanner's motion was lost by 29 to 6 and Mr. Cooper's carried by 22 to 12. The policy of the Government and its friends in this connection, it may be added, and of the Government organ—the Halifax *Chronicle*—was one of Local Option as opposed to any attempt at Provincial Prohibition. On Apr. 11th the Hon. Mr. Pipes explained the objects of certain Government amendments to the Liquor License Act as applying its provisions more clearly to "firms or corporations" as well as "persons"; revising and making more stringent the penalties involved; and imposing greater restrictions upon the carriage of liquor into counties under the operation of the Canada Temperance Act.

The financial returns for the year ending Sept. 30, 1906, were presented to the House on Mar. 12th by Mr. G. H. Murray, Premier and Provincial Treasurer. Upon one point his statement was very optimistic. "As he had already announced, it was confidently expected that the annual Federal subsidy would shortly be increased by about $177,000. If this were added to the $432,000 it would amount to about $600,000. Yet the amount received from coal royalties last year was $50,000 greater than even the increased Subsidy from Ottawa. This would give some idea of the rapid industrial advancement being made in the Province, and what a very important part the coal industry played in relation to its general financial credit. Those who were familiar with the coal trade in Nova Scotia said it was fair to assume that the annual increase in coal sales would be about 12 per cent. a year. If this were a correct estimate of the situation (and he had no reason to doubt it) in about eight years the revenue from coal should practically double." As to the total revenue for the year his estimate had been $1,375,216; the actual amount $1,391,629. Of this total $432,805 came from the Dominion Government; $643,457 from mining royalties—an increase of $30,000; $63,087 from Succession duties and $29,449 from Crown Lands; $26,046 from licenses, fees, etc., and $48,463 from the Nova Scotia Hospital. The estimated expenditure had been $1,373,199, the actual expenditure $1,375,588. Of this latter sum the chief items were as follows: Agriculture, $55,677; Debenture interest, $292,810; Education, $272,971; Provincial Engineer's Office, $36,154; Legislative expenses, $53,166; Miners' Relief Societies, $15,289; on Mines, $39,741; Charities, $177,411; Public Works, $21,036.

The gross Debt of the Province on Sept. 30, 1906, was $8,791,670, with assets which included mortgages of $3,956,010 on sundry Provincial railways, a Dominion trust account of $1,056,111 and other sums totalling $5,427,080.

Mr. Premier Murray's measure increasing the allowance of Ministers was given its 2nd reading Apr. 16th. It provided a salary of $5,000 for the Provincial Secretary, the Attorney-General, and the Commissioner of Works and Mines, together with an additional sum of $1,000 to the person holding the position of Prime Minister. Messrs. Tanner and Wilcox opposed the increase on the ground that the teachers of the Province needed it more than the Ministers and that, in any case, the people should first be consulted. They moved a six months' hoist which was voted down by 23 to 5. On Apr. 24th Mr. Murray presented a Resolution declaring that in view of the unusually prolonged Session, caused by the discussion of important public matters, the indemnity of the members should, for that period, be increased from $500 to $600. The Opposition Leader objected on the ground of the Government's legislation being late in its presentation and a division was taken on strict party lines. An important item of legislation was the Hon. Mr. Chisholm's Bill re-organizing the machinery for expending road and bridge grants by consolidating the appropriations and placing expenditure in the hands of an official to be termed the Provincial Roads' Commissioner. The Government's object was, he claimed, to remove the distribution of these grants from political control.

A measure which was stringently opposed in Conservative circles was the Hon. Mr. Pipes' Bill copied, he said, from Ontario legislation in 1874, which permitted Judges to remit or decrease fines at their discretion. The Opposition claimed that this would give a dangerous power to Judges in cases of political corruption. Other incidents of the Session included the effort of Mr. C. E. McMillan (Cons.) to get the repayment of an old-time bonus of $50,000 contributed by Inverness County toward the construction of a local railway against which they had an apparently substantial grievance; and an attempt by Mr. J. M. Baillie (Cons.) to procure an inquiry by Special Committee into the causes of Provincial railway accidents. Legislation was also passed consolidating the mortgages held by the Province on the Halifax and South Western Railway and seeking to ensure greater protection for employees in mines. The Legislature was prorogued on Apr. 25th.

Government and Public Affairs in New Brunswick

The year in New Brunswick was one of varied changes in Government circles. The much respected Lieut.-Governor, Hon. J. B. Snowball, died on Feb. 24th and on Mar. 2nd Hon. Lemuel John Tweedie, K.C., who had been Premier since 1900 and in public life for 33 years, was appointed his successor; the Hon. William Pugsley, K.C., LL.D., Attorney-General for the past

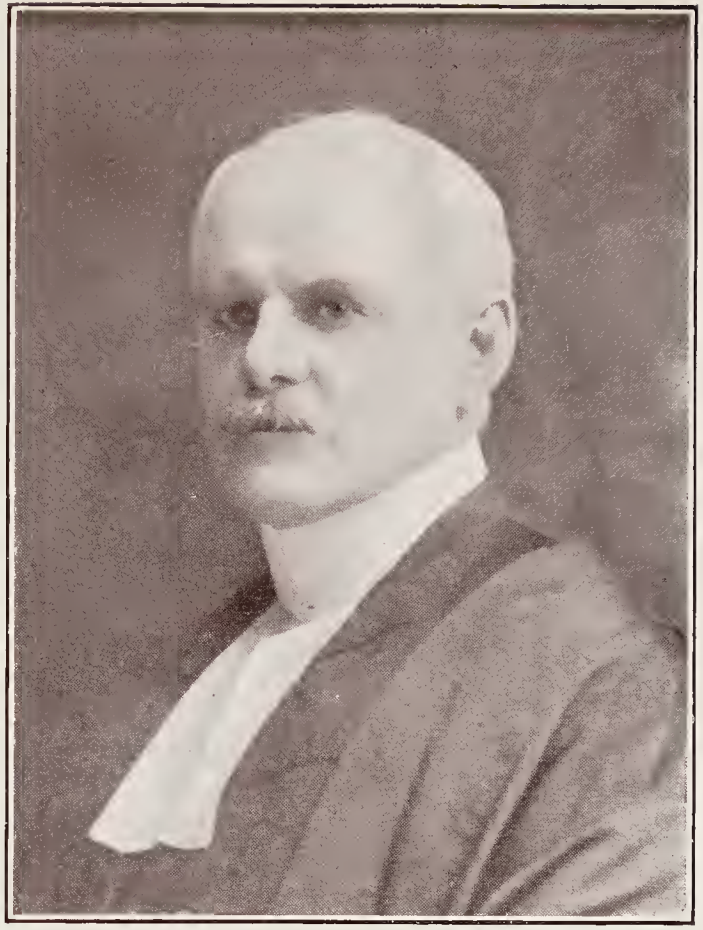
seven years, was called to the position on the 6th; the Hon. C. W. Robinson resigned the Speakership of the Assembly on the same day and became Minister without Portfolio—succeeding to the position of Provincial Secretary on Apr. 15 and to the Premiership on May 31st when Mr. Pugsley retired to take a position in the Dominion Government. On July 5th Mr. James Barnes of Kent County was appointed Minister without office though later in the year it was announced that he would retire from politics and take charge of the Immigration work for the Government; on Oct. 28th Mr. Robinson resigned the position of Attorney-General and was succeeded by Mr. Harrison Andrew McKeown, K.C., for whom Dr. R. C. Ruddick, M.P.P. for St. John County, resigned his seat, and who was then returned by acclamation as were all the Ministers during the changes described. During these events Hon. C. H. LaBillois, Chief Commissioner of Public Works, Hon. L. P. Farris, Commissioner of Agriculture, Hon. F. J. Sweeney, Surveyor-General, and Hon. W. P. Jones, Solicitor-General, were confirmed in their positions. The only bye-election, apart from the re-election of Ministers by acclamation, was in Restigouche County, on Jan. 2, when the Government candidate, William Currie, defeated J. E. Stewart, Conservative, by a majority of 114 as compared with a Liberal majority of 661 in 1905.

The Legislature was opened on Feb. 14th by Lieut.-Governor Snowball with a Speech from the Throne which referred to the progress and prosperity of the Province in general and to the lumber and fishing industries and Port of St. John business, in particular; mentioned the success which had followed the efforts of the New Brunswick and other Governments for an increased Subsidy and promised continued pressure in regard to the Halifax award matter; promised measures increasing teachers' salaries, providing for inspection of creameries and the encouragement of sheep-raising and horse-breeding; dealt with the progress of the International Railway, running from Campbellton to the St. John River, and indicated Government assistance to the undertaking; referred to the importance of Forestry, the preliminary work on water-power development at Grand Falls and the provision of drilling machines to test the iron-ore discoveries in Gloucester and Charlotte Counties; mentioned the exceptional success of recent Agricultural exhibitions at St. John, Sussex, Chatham, Woodstock, etc.; expressed regret at Lady Victoria Grenfell's death, and promised various minor legislative measures. The Address was moved by William Currie, seconded by J. B. Gogain and passed after brief speeches by the Premier and the Leader of the Opposition—J. Douglas Hazen, K.C. On Mar. 6th Mr. Charles J. Osman, a member of the House since 1897, was elected Speaker in place of Mr. Robinson.

Of the Session's legislation Mr. Pugsley presented a measure on Feb. 10 to further aid the International Railway by increasing

THE HON. LEMUEL J. TWEEDIE, K.C.

Prime Minister of New Brunswick. Appointed Lieut.-Governor of the Province in 1907.



THE HON. DAVID MCEWEN EBERTS, K.C., M.P.P.

Elected Speaker of the British Columbia Legislature in 1907.

its issue of Government guaranteed bonds to $8,000 a mile and to make this apply to the whole line of 110 miles. Security was to be given by the Company for payment of interest before the guarantee was effected and mortgage security upon the whole road was taken by the Government. On Mar. 12th Mr. Pugsley stated that $309,000 of shareholders' capital had already been expended on this work. The House on Mar. 13th supported by a vote of 23 to 19 Resolutions declaring that Fredericton City could drain its crude sewage into the River St. John, despite the contrary decision of the Provincial Board of Health, the statement by Mr. Premier Pugsley that it would injure people and property in Sunbury County below that City, and the Opposition Leader's urgent plea for public health and his claim that it was only a matter of $75,000 to Fredericton in any case. Mr. Pugsley would not make it a Government question, however, and the vote went as stated. Subsequent legislation limited this permission to two years, with expert tests in the meantime, and a boring for artesian wells in Sunbury. In a speech on Mar. 21st the new Premier announced that the Government was negotiating with Mackenzie and Mann for the construction of a railway from Woodstock down the Valley of the St. John to St. John City and that a definite proposition had been made which the Government was now considering. No cash subsidies would be given but the bonds might be guaranteed, and he declared that if this policy had been carried out in the past the Province would be the richer by $6,886,064. On the following day the Premier stated that a decision had been reached and added that the Company's bonds bearing 4 per cent. would be guaranteed to the extent of $15,000 a mile. Resolutions were passed on the 28th, after an Opposition amendment had been voted down, and the Bill authorizing this arrangement and that of the International Railway passed on Apr. 2nd by 21 to 10.

Other measures passed were Mr. Pugsley's Bill authorizing the purchase of 50,000 acres of land from the New Brunswick Railway Company for purposes of settlement at 75 cents an acre; his measure increasing teachers' salaries by a total sum of $25,000 and another amending the Workmen's Compensation Act so as to cheapen legal proceedings and enable a workman to bring his case before a Supreme Court Judge for final decision with costs not to exceed $25.00; his Telephone Bill enabling the Government, if it so desired, to take over every telephone system in the Province with four weeks' notice to the Companies concerned and at a valuation settled by either agreement or arbitration—the price under agreement or any action of expropriation to be first approved by the Legislature—the tolls and rates, meantime, to be under Government control and the municipal control of streets to be respected. Increased aid of $5,000 a year was given the University of New Brunswick and $3,000 a year granted to the New Brunswick Rifle Association; the Game Laws were amended to

further protect game birds; provision was made for a number of new bridges and for the continuance of the Macdonald Consolidated School at Kingston; an amendment to the School Act proposed by Mr. Pugsley arranged for School Boards to fly the Canadian ensign daily, so far as possible, from School buildings and authorized the Board of Education to appropriate a reasonable amount for the purchase of flags for use where Trustees might be unwilling to bear the expense. A Court of Appeal was created to be composed of three Judges, two of whom were to be taken from the present Supreme Court—leaving that body with four members—and the new Chief Justice to eventually succeed as Chief Justice of New Brunswick; the New Brunswick Telephone Company incorporation was amended so as to largely increase its capital under specified conditions. Many other Acts of amendment or incorporation, of a Provincial, Municipal, or private character, were passed but those mentioned were the most important.

Mr. Premier Pugsley's first and only Budget speech was presented on Mar. 19th. He referred to the hope of getting about $2,000,000 out of the Halifax Award controversy; to the policy of Mr. Emmerson as Minister of Railways in taking over Provincial lines and making them part of the Intercolonial; to the increased Provincial Subsidies under which New Brunswick would receive a general increase of $130,000. The estimated receipts for 1907 were $941,195 of which $491,360 came from Dominion sources; the estimated expenditures were $934,607 of which $224,754 was for Education, $190,000 for interest and $228,511 for Public Works. The official figures of Provincial Debt for the year ending Oct. 31, 1906, showed a total of $5,216,500—chiefly debentures bearing from 3 to 6 per cent. interest with Assets of $1,900,000. To these latter the Premier thought that 7,000,000 acres of Provincial timber lands, easily worth $21,000,000, should be added. He was able to report a surplus on the much-discussed New Brunswick Coal and Railway Company line. In this matter of the Public Debt Mr. Hazen claimed that when the Blair (Liberal) Government came into power in 1895 there was a Debt of $750,000; now it was admitted to be over $5,000,000 and was really $8,824,168; and he specified the various indirect liabilities of guaranteed bonds, the overdrafts and floating debts, the Treasury bills afloat, etc.

During the summer there were rumours as to the Government being in financial straits and the Opposition papers described it as a crisis precipitated by tight money and an overdrawn account of $1,250,000. The Fredericton *Gleaner* of July 18 stated that a further advance of $38,000 had been declined by the Banks. The St. John *Globe* of Aug. 20, a Liberal paper, placed the floating debt of that date at about $800,000. Mr. Premier Robinson had, meanwhile, gone to Montreal and arranged with the Bank of Mont-

real for floating a loan of £300,000, in August, at about 5 per cent. and for one year from the 15th of August. The actual Receipts and expenditures for the year ending Oct. 31, 1907, were announced in December as $969,939 of ordinary revenue and $960,-093 of ordinary expenditure. The new Loan had realized $1,387,-130 and various debentures and treasury bills had been redeemed therewith. Mr. J. K. Flemming, the Opposition financial critic, worked out in the St. John *Telegraph* of Dec. 31st an actual deficit in this year of $417,712.

Meanwhile the Legislature had been prorogued on Apr. 12 and during the succeeding months active preparations had been under way for the Elections—which came off in 1908. Many candidates were nominated on either side and Mr. Douglas Hazen spoke at various points in the Province. The Government was at a disadvantage on account of its frequent changes of leadership but on Nov. 8th Hon. H. A. McKeown reviewed the policy of the Robinson Government as including an early sale of the New Brunswick Coal Railway to the Transcontinental; a steady reduction of the Public Debt by means of the increased Dominion Subsidy; the repeal of the unpopular Highway Act and strong measures for the encouragement of colonization; arrangement with the Dominion Government for the assumption of subsidiary lines of the Intercolonial and continued pressure of the Halifax Award claims. Mr. Hazen was banqueted by 200 Provincial supporters at St. John on Dec. 4th and outlined a lengthy platform embodying greater economy in administration and greater progress in affairs. The Carleton *Sentinel* of Woodstock, a strong Liberal organ, gave the Government in the next elections 22 certain seats, the Opposition 2, and placed 22 in the "doubtful" column.

The usual amount of discussion took place as to Temperance matters. A large delegation of the New Brunswick Federation waited on the Government on Feb. 7 and asked for a Prohibitory liquor-law; on Oct. 4 the Government appointed a Commission composed of A. O. Skinner (Chairman), W. D. Carter of Richebucto, and the Rev. Thomas Marshall of the Temperance Federation, to inquire into the operation of Prohibition laws in Prince Edward Island; the Report was completed on Dec. 5th and described the conditions as very similar to those under the Canadian Temperance Act and the results to vary greatly in localities, while under both laws the rural districts showed the best results. No recommendations were made. Miscellaneous incidents included the appointment of T. H. Estabrooks, W. H. Thorne, Hon. W. Pugsley, J. B. M. Baxter and J. E. Moore by the City of St. John to act as a Committee in presenting and discussing with the Ottawa Government the needs of their Port; an agreement between the New Brunswick and Ontario Governments for a reciprocal arrangement as to the collection of Succession duties so as to obviate dupli-

cate taxation of estates; arrangements with the Commissioner of Immigration at Ottawa for the sending of three New Brunswick immigration Agents to England; the gazetting on June 13 of the following King's Counsel: J. L. Marsh, Hon. R. J. Ritchie, Hon. F. J. Sweeney, J. R. Armstrong, F. B. Carvell, M.P., Ora P. King, M.P.P., G. J. Clarke, E. G. Kaye, W. D. Carter and F. A. McCully.

Public Affairs in Prince Edward Island

Conditions in the Island Province were not very satisfactory at the beginning of the year. The storms of a severe winter had worked havoc in its never very adequate service of news and transport with the mainland. Complaints and denunciation filled the air. For weeks there was no telegraph and no steamer and 100,000 Islanders with $3,000,000 of money in the banks were isolated from the people of their own or any other country. These winter troubles, however, were not unusual; except in being a little worse than usual. Coupled with poor, slow, irregular, uncomfortable and expensive steamer service across the Straits was the alleged fact of exorbitant freight rates and irregular delivery of goods as well as passengers. These conditions had been a handicap to trade and production and business; and discontent was freely expressed in the first months of 1907. It was claimed that a part of the pact of Confederation was the maintenance of winter communication between the Island and the Mainland; it was declared this agreement had been continuously broken; it was said that the constitutional and necessary, but unpleasant, reduction of representation at Ottawa after the last Census had added insult to injury.

On the other hand there came later in the year the increased Provincial Subsidy, there had been in 1901 a special increase of $30,000 a year in the Ottawa allowance on account of this very failure to maintain communication;* there were hopes of a Tunnel construction at some future day. There was also the diversity of opinion existing at times between the three parts of the Island—Prince, King's and Queen's Counties frequently differing in their demands and giving Ottawa an excuse for hesitation—while partisanship, as usual, helped this difficulty. The frequently reaffirmed Resolution of the Maritime Boards of Trade Conventions described this isolation and irregular communication as causing "much loss and very great hardship" and there is no doubt that this was an accurate statement. The Charlottetown *Guardian* (Independent) commenced in 1907, and continued, a campaign for settlement or separation; and a special correspondent of the St. John *Sun* declared that this view had many supporters. On Jan. 12th the *Guardian* said: "We are also past the stage when resolutions or delegations can help our case. The time has come for an ultimatum, backed by a resolute and united people. Who would be free himself must strike the blow. The time has come to radi-

* NOTE—See *Canadian Annual Review* for 1901. Pages 474-5.

cally mend our relations with the Dominion or to end them forever." In subsequent issues it compared the loss of rights and liberties by the Islanders with those of British subjects under Kruger and described the union with Canada as dead—a "pulseless artery no longer transmitting the electric current." On Jan. 14 President Agnew of the West Prince Board of Trade described conditions as an "unbearable burden"; on the 21st the Rev. A. E. Burke left for Ottawa to personally present matters to the Premier with special reference to the Tunnel project; on Feb. 1st a public meeting at Kensington referred by Resolution to existing disabilities and asked for justice, protested against the reduction in representation, and described the new Subsidy arrangement as unfair to the Island; a similar meeting was held at Morell on Feb. 15 addressed by leading Conservative speakers as well as others and similar Resolutions passed; a Conference of Island Boards of Trade on Mar. 21st demanded revised freight and passenger rates on railways and steamers, asked the Dominion Government for immediate inquiry into the Tunnel scheme, and pending this, for the construction of another powerful ice-breaking steamer; on June 18 delegates from all these Boards met Mr. M. J. Butler, Deputy Minister of Railways and Canals, at Charlottetown, together with the chief Intercolonial Railway officials and the Deputy Minister of Marine and Fisheries, in conference, and demanded lower freight rates, equality in railway arrangements with the mainland, reduced passenger rates on steamers, correct information of weather movements.

But the great question of the year was the Tunnel project. It and Island conditions were debated at Ottawa on Feb. 18 without much encouragement from the Government or Sir Wilfrid Laurier but with a clear declaration from Mr. Borden that if the Dominion could not fulfil its pledge to Prince Edward Island of a continuous and efficient steam service between the Island and the Mainland then the only alternative was the Tunnel. Each of the Island members covered the entire ground of the alleged broken terms of union in respect to communication and broken promises in regard to a third steamer; the injustice of the winter freight and passenger rates and the three short hauls; the prevalent popular discontent and the urgent need and reasonableness of the demand for the Tunnel. The subject of representation had been discussed in the Commons on Jan. 28 and the views of the Island presented by Mr. J. J. Hughes; the general subject was again debated on Mar. 19th when Mr. Alex. Martin declared that the Tunnel question must be taken up or there would be serious trouble and separation; various motions were presented by its members embodying the Island's demands; in the Senate on Apr. 26th Hon. D. Ferguson declared that if the population basis was insisted upon in the Subsidy increases it would mean loss instead of gain in revenue, and a continuous deficit, in an Island where

direct taxation had increased 470 per cent. since 1873. It was claimed by advocates of the Tunnel that it would cost, according to Sir Douglas Fox's estimate about $10,000,000 or, according to Marine Department engineers, $15,000,000; that the interest on the former sum at 3 per cent. would be $300,000 a year while the present Dominion expenditure on steamers, depreciation, etc., was at least $325,000 annually. The Board of Trade at Charlottetown, the Maritime Boards of Trade at St. John, the Moncton, N.B., Board, and succeeding public meetings, continued to endorse the project; and Hon. W. Pugsley, the new Minister of Railways, said at Sussex on Oct. 25th that he hoped to inaugurate the work during his term of office.

The Island Legislature was opened on Feb. 19th by Lieut.-Governor P. A. McIntyre in a Speech from the Throne which spoke of general prosperity in the Island; referred to the largely increased subsidy which was coming as a result of the Conference of 1906; stated that negotiations were proceeding with a view to establishing a Dominion Experimental Farm; mentioned the possibility of an affiliation of Prince of Wales College with McGill University; and promised one or two items of legislation. In several debates Mr. Premier Peters and Hon. G. E. Hughes defended their position at the Ottawa Conference and declared that the $70,000 increased Subsidy would make finances easy and that the per capita grant was based upon a population of 100,000 and could not be decreased as was claimed by the Opposition leader, Mr. J. A. Mathieson. The latter maintained a determined fight in this connection and was backed up strongly by W. A. O. Morson, M. McKinnon and A. L. Fraser. The Premier was constantly asked why he had not struggled for better terms and fuller recognition of Island claims as Mr. McBride had done for British Columbia. The Opposition also contended that the minimum population figure should have been 150,000 while Mr. Peters claimed, in reply, that the delegates had obtained all that was possible and that an Imperial Order-in-Council at the time of Confederation prevented any decrease in the Subsidy should population continue to decline. Mr. Mathieson moved a long Resolution of censure upon the Delegates and the Government in this general connection but it was rejected by a party vote of 17 to 7 on Feb. 28th. Amendments to the Prohibition Act were passed with a view to strengthening and consolidating its terms; other measures provided for the sale of the Government Stock Farm and for a new Gaol in Queen's County; the Commercial Travellers' tax was retained; and the House prorogued on Apr. 12.

The Premier's Budget Speech had been delivered on Apr. 3rd. It was chiefly a defence of his attitude at the Conference with the statement that ends would now meet financially, with a small surplus in the coming year, and that he believed there would continue to be one. There had been a change in the fiscal year and for the

nine months ending Sept. 30, 1906, the total revenues were $258,234, the expenditures $254,134, with $22,000 more on capital account. Of the expenditure $126,700 was upon Education and in the receipts the Dominion subsidy of $211,951 for 12 months was included. For the calendar year 1906 the Premier stated the deficit at $70,000. The total liabilities of the Province were $795,771 of which $106,000 was due the Banks. The assets included $775,701 due the Province at Ottawa on which interest at 5 per cent. was paid. Later in the year conditions improved on the Island, transportation difficulties were somewhat smoothed over, the crops were good and the fisheries successful. Dominion arrangements were made for new life-saving stations and new fish hatcheries, the Dominion authorities continued to collect data as to the Tunnel project, and a 200,000 (population) Club was organized in Charlottetown.

SOME MISCELLANEOUS INCIDENTS

Jan. 16.—The General Synod of the Church of England in Canada selects the Rt. Rev. Dr. Arthur Sweatman, Bishop of Toronto, to be Metropolitan of the Ecclesiastical Province of Canada, Primate of all Canada and Archbishop of Toronto.

Jan. 25.—Sir Alexandre Lacoste resigns the Chief Justiceship, Court of King's Bench, Montreal.

Mch. 19.—Sir R. L. Weatherbe resigns the Chief Justiceship of Nova Scotia.

May 16.—The Royal Society of Canada elects Dr. Samuel Edward Dawson as President.

June 11.—By a vote of 137 to 11 the Presbyterian General Assembly, meeting at Montreal, approves the efforts of its Committee and declares in favour of Union with the Methodist and Congregationalist Churches.

Sept. 8.—The United States beats Canada, Australia and Great Britain at the Ottawa Ranges for the Palma Trophy and the world's record in long-distance rifle-shooting.

Sept. 11.—The Baptist body in Canada declines to join the Presbyterians, Methodists and Congregationalists in seeking a common basis for Church Union.

Oct. 1.—Rev. R. A. Falconer, D.D., D.C.L., is formally inaugurated as President of the University of Toronto.

Sept. 20.—The Manitoba Government appoints a Royal Commission of Inquiry into the affairs of the University of Manitoba composed of J. A. M. Aikins, K.C. (Chairman), Rev. G. B. Wilson, PH.D., W. A. McIntyre, LL.D., J. D. Cameron, K.C., J. A. Machray, M.A., Rev. J. L. Gordon, Rev. A. A. Chevrier, B.A.

Oct. 21.—Captain Bernier, in command of the recent Government expedition to the far north, states (Montreal *Star*) that he has annexed much territory. "In planting the British flag on North Lincoln I feel that I have claimed for Canada all islands as far north as 81 degrees, 50 minutes. We may also lay claim to all land to the westward as far as Prince of Wales Land. I was within ten miles of Prince of Wales twice, but the weather was foggy and blowing hard to the eastward so I did not dare risk losing my men."

Dec. 2.—The heavyweight boxing championship of the world is won at The National Sporting Club, London, by Tommy Burns, a Canadian by birth.

XI.—MISCELLANEOUS PUBLIC AFFAIRS

Boards of Trade Associations and Municipal Unions

Some important Conventions were held during the year. On Mar. 13-15 the Associated Boards of Trade of Eastern British Columbia met at Greenwood with President G. O. Buchanan in the chair and delegates present from nine centres in that part of the Province. Resolutions were passed (1) asking for Provincial aid to the Kootenay Central Railway, urging the assessment and taxation of railways in general, and favouring an extension of charter and immediate construction in the case of the Arrowhead-Gerrard Railway; (2) asking the Provincial and Dominion Governments to establish experimental fruit farms in the Interior; (3) declaring that gold and silver for the Royal Mint should be purchased at Trail, B.C., and asking for a specific Dominion duty on pig-lead; (4) requesting the Provincial Government to send an exhibit to the Alaska-Yukon Fair and the Franco-British Exhibition in London; urging the placing of the Canadian Associated Press in London on a more efficient footing —" managed on newspaper principles "; (6) favouring Provincial construction and ownership of a Telephone system; (7) asking for the establishment of Provincial Game preserves and the protection of Kootenay River from floods; (7) protesting against Provincial enforcement of the Dominion Lord's Day Act; (8) asking for a Provincial inquiry into the recent coal and coke shortage and demanding the immediate construction of " many roads, trails and bridges." Mr. G. O. Buchanan was re-elected President, F. J. Starkey of Nelson 1st Vice-President and A. B. Mackenzie, Secretary-Treasurer.

The 4th Convention of the Associated Boards of Trade of Western Canada was held at Prince Albert on June 18 with 150 delegates in attendance and President R. J. Hutchings in the chair. The officers elected for the new year were P. McAra, Jr., of Regina as President; K. W. McKenzie of Edmonton as 1st Vice-President; Mayor W. Cousins of Medicine Hat as 2nd Vice-President; B. W. Wallace of Prince Albert as Secretary-Treasurer. Resolutions were passed pressing upon Provincial Governments the importance of establishing well-equipped agricultural colleges; protesting against watered stock in companies operating public utilities; calling upon the Dominion Government to compel Western railways to provide greater facilities for shipment of produce and asking for an inquiry into the navigability of the Saskatchewan River; urging Dominion action at an early date to connect

THE HON. HENRY E. YOUNG, M.D., M.P.P.

Appointed Provincial Secretary and Minister of Education in British Columbia during 1907.

THE HON. WILLIAM J. BOWSER, K.C., M.P.P.

Appointed Attorney-General of British Columbia during 1907.

Western Canada by rail with Hudson's Bay; urging the Governments of Saskatchewan and Alberta to make earnest efforts to avert another fuel famine in the West; censuring the inadequate Telegraph service in the West, suggesting Provincial inquiry into the advantages of Government Fire insurance, and asking the Dominion and Provincial Governments to take steps for providing a better supply of skilled and unskilled labour in the West; asking the Provincial Governments to evolve some comprehensive scheme of road-making upon a modern basis and the Dominion Government for better protection of timber lands against fire; favouring Government Telephones in Saskatchewan as well as Alberta and demanding from the Dominion a better postal service; asking Government supervision of town-sites and Provincial points for redemption of bank notes; urging Dominion measures to prevent the wasting of natural gas and an inquiry into the establishment, by subsidies or otherwise, of independent live-stock markets in Canada. It was decided not to divide the Association on Provincial lines and Medicine Hat was accepted as the 1908 meeting place.

St. John was the scene of the Maritime Board of Trade Convention on Aug. 21-23. President W. S. Fisher occupied the chair and delegates were present from 5 Boards in New Brunswick, 15 in Nova Scotia and 2 in Prince Edward Island out of 40 affiliated Boards in the three Provinces. Mr. Fisher's address dealt with the Fisheries, fruit farming, cold storage, mining, transportation, agriculture, immigration and industrial interests and the inadequate insolvency laws. Resolutions were passed supporting an All-Red line or fast high-class mail, passenger and express-freight service between British possessions; asking for cold storage facilities in steamers plying between Prince Edward Island, Sydney and Newfoundland; urging the Government to acquire for the Intercolonial Railway the lines of Western Nova Scotia and all branch lines in Nova Scotia and New Brunswick; requesting the same privileges over the Intercolonial Railway for the Dominion Express Company as were now given the Canadian Express Company; declaring that the exportation of pulp-wood should be prohibited; urging the appointment of a Federal Fisheries Board to look after and control the Atlantic Fisheries of Canada; recommending the abrogation of the Fisheries *modus vivendi* until the United States was disposed to negotiate a new Treaty; describing the great resources and advantages of the Maritime Provinces for the benefit of incoming settlers and others; urging the Governments of the three Provinces to confer and devise some plan for consolidating the local work along lines of Technical education and scientific research; recommending the grant of running rights to the C.P.R. for mails and passengers from St. John to Sydney; approving closer tariff, trade and steamship connection with the West Indies; asking the Dominion Government to equalize the three short-haul systems of transportation in Prince Edward

Island with the continuous haul of the other Provinces and for an adjustment of Island steamship rates to the minimum rates of Government railways; asking for an increase of rolling stock on the Intercolonial Railway and the improvement of certain portions of that line by double-tracking and reduced curves and grades; demanding the speedy construction of the Prince Edward Island Tunnel; supporting the principle of a bonus to steel ship-building and objecting to the new and "oppressive and unreasonable" postal tax on Canadian newspaper circulation in the United States; urging the Federal and Provincial Governments to combine on a settlement of the Dominion Coal and Steel Companies controversy. Mr. A. M. Bell of Halifax was elected President; Hon. G. E. Hughes of Charlottetown, 1st Vice-President; W. B. Snowball of Chatham, 2nd Vice-President; E. A. Saunders of Halifax, Secretary; C. M. Creed, of Halifax, Permanent Secretary-Treasurer.

The Ontario Municipal Association met in Toronto on Aug. 29 with President J. A. Ellis, of Ottawa, in the chair. Various papers were read and Resolutions passed asking for specified amendments to the Provincial Municipal Act; urging the Dominion and Ontario Legislatures to prevent the future use of highways by corporations or individuals for the placing of poles, wires, rails, etc., over, upon, or under them, without the consent of the Municipal Councils concerned; asking from the Dominion Parliament power for urban municipalities to cause the removal or placing underground of objectionable lines of poles or wires; asking the Legislature to provide for the operation of Sunday Street cars where a vote of the people so decided and to give municipalities wider financial liberty by placing in the hands of the Railway and Municipal Board power to approve money by-laws without popular vote. Mr. W. C. Mikel of Belleville was elected President and K. W. McKay of St. Thomas, Secretary-Treasurer.

The 2nd Convention of the Union of Alberta Municipalities was held on Jan. 8-10 at Red Deer with President J. Emerson in the chair. Several addresses were given and Resolutions passed favouring the building, maintenance and administration of Hospitals by separate municipalities; asking that municipalities be given fines imposed by Justices of the Peace; requesting a Government inquiry into matters of municipal assessment and asking the Railway Commission to investigate the whole question of production and supply of coal in the West; declaring in favour of Municipal ownership of Telephones and Provincial Government maintenance of indigent immigrants; asking that incorporated municipalities be given control of plans for sub-division of land within three miles. Mayor Michener of Red Deer was elected President and J. S. Hall, K.C., of Calgary, Secretary-Treasurer. The Union of New Brunswick Municipalities was inaugurated at a Convention in St. John on Feb. 12-13. Mayor Edward Sears presided, a constitution was accepted, and Mr. Sears elected Presi-

dent with J. S. Magee of Moncton as Secretary-Treasurer. Resolutions were passed asking the Dominion and Provincial Governments to submit to the Union copies of all Railway and other Bills affecting the rights and privileges of municipalities; asking the Dominion Government to relieve municipalities from the cost of protecting railway crossings on public highways; urging that all male inhabitants over 21 years of age should be equally assessable for municipal services; requesting the Provincial Government to retain full power of supervision and control over the N. B. Telephone Company. The 1st Annual Convention of the Union of Saskatchewan Municipalities was held at Regina on Aug. 5-7 with ex-Mayor P. McAra in the chair. An address was given by Mr. Premier Scott and Resolutions were passed asking the Provincial Government to properly assess all banking, loan, and financial institutions, to have a rigid and regular inspection made of all slaughter-houses, to appoint an official Auditor to yearly inspect Municipal books and accounts, and to provide a uniform system of assessing real estate at its actual value and improvements at not more than 60 per cent.; declaring that all railways operating in the Province should be subject to municipal taxation for local improvements; objecting to the excessive rates of the Bell Telephone Co. and expressing sympathy with the Public ownership principle. Mayor R. S. Cook of Prince Albert was elected President and C. O. Davidson of Prince Albert, Secretary-Treasurer.

The Union of Canadian Municipalities met in its 7th annual Convention at Fort William and Port Arthur on Aug. 13-15 with Mayor Coatsworth of Toronto in the chair. Various papers were read, Reports submitted, and speeches delivered. Resolutions were passed (1) protesting against the power given to the Great North-Western Telegraph Company by Dominion enactment and the use of that power in laying objectionable poles and wires in certain localities; (2) calling attention of the Dominion Government to the "great injustice" of granting a certain charter to the Fort William Terminal Company and asking for its repeal; (3) requesting the Federal and Provincial Governments to adopt and enforce legislation by which the maximum price of supplying Light, Heat and Power to the public and the quality of the service given, be regulated by competent experts appointed for that purpose; (4) instructing the Executive to apply for Dominion legislation enabling Municipal Councils to control and regulate the stringing of wires and erection of poles by corporations under charter; (5) declaring that each municipality should be allowed by vote of the ratepayers to decide as to the running of Sunday cars; (6) asking for legislation providing that Railway companies should pay the whole cost, or fair proportion thereof, in the construction of subways and overhead bridges where municipal requirements demand such construction. It was decided that Public ownership of public utilities is desirable, under control and regula-

tion by the Government or operation by the public, and certain conditions were specified. The new President was Mayor R. T. MacIlreith, LL.D., of Halifax; W. D. Lighthall, K.C., of Montreal, was re-elected Hon. Secretary-Treasurer; and L. A. Lapointe, Montreal, J. J. Ward, Toronto, and R. C. Cochrane, Blanshard, Man., were chosen as Vice-Presidents.

The 3rd Annual Convention of the Alberta Union of Municipalities was held at Medicine Hat with President Michener of Red Deer in the chair. Resolutions were adopted re-affirming the control of municipal affairs by Commissioners and asking that irrigation works be not carried on in municipal areas without consent; declaring that the pledging of municipal credit for stock, or investment in enterprises of an industrial or speculative nature, could not be too strongly condemned; protesting against any interference by the Provincial Government with the inherent right of municipalities to tax, license and regulate corporations doing business within their limits. The new President was W. Cousins, Mayor of Medicine Hat, and J. S. Hall of Calgary was re-elected Secretary-Treasurer. The 2nd annual Convention of the Union of Nova Scotia Municipalities met in Halifax on Aug. 28-29 with Mayor McIlreith in the chair. Resolutions were passed including a denunciation of the objectional character of much of the advertising put in public places and a request for legislation giving municipal control over the matter. Mr. Mayor MacIlreith was re-elected President and F. W. W. Doane, C.E., of Halifax, Secretary-Treasurer.

Miscellaneous Appointments or Elections

On May 9th Sir Sandford Fleming was appointed a member of the Ottawa Improvement Commission. In Quebec City during the year Mr. Roger Lareau became a member of the Harbour Commission; in Winnipeg Mr. Alexander Dawson was appointed County Court Judge; in Toronto Mr. William Lee was elected Secretary of the Loyal Orange Association of British America; in British Columbia John R. Brown of Greenwood and Fred. Calder of Ashcroft were appointed County Court Judges; in Toronto the Rev. T. Albert Moore became Secretary of the Lord's Day Alliance; in Montreal Mr. C. H. Catelli was re-elected President of La Chambre de Commerce.

CANADIAN EDUCATIONAL STATISTICS

EDUCATION IN ONTARIO, 1906

I. PUBLIC SCHOOLS.

Number of Public Schools in 1906	5,797
Number of enrolled pupils in the Public Schools	398,232
Number of teachers, men, 1,748; women, 7,005	8,753
Number of teachers who attended Normal Schools	4,425
Number of teachers with a University degree	94
Average annual salary of female teacher	$369
Average annual salary of male teacher	$547
Amount expended for Public School-houses	$681,250
Amount expended for teachers' salaries	$3,611,372
Total amount expended on Public Schools	$5,766,325
Cost per pupil (enrolled attendance)	$14.48
Public School Teachers in Rural Schools—	
1. Male, 1,251. 2. Female, 4,762	6,013
Urban Schools—	
1. Male, 612. 2. Female, 3,137	3,749

II. ROMAN CATHOLIC SEPARATE SCHOOLS.

Number of Roman Catholic Separate Schools	443
Number of enrolled pupils of all ages	50,760
Number of teachers	1,009
Amount expended for School-houses	$173,202
Amount expended for teachers' salaries	$269,176
Total amount expended	$636,881
Cost per pupil (enrolled attendance)	$12.54

III. HIGH SCHOOLS.

Number of High Schools (including 42 Collegiate Institutes)	142
Number of teachers	719
Number of pupils	29,392
Average annual salary, Principals	$1,303
Average annual salary, Assistants	$975
Average annual salary of all teachers	$1,039
Highest salary paid	$3,500
Amount expended for teachers' salaries	$716,471
Amount expended for School-houses	$112,465
Total amount expended	$1,029,294
Cost per pupil (enrolled attendance)	$35.01

MISCELLANEOUS.

Number of Protestant Separate Schools (included with Public Schools)	5
Number of pupils enrolled	310
Number of Kindergartens	139
Number of pupils enrolled	14,160
Number of teachers engaged	273
Number of Night Schools	11
Number of pupils enrolled	898
Number of teachers engaged	18
Total Receipts of all Schools	$7,922,685
Legislative Grants	$509,795
Municipal School Grants and Assessments	$5,529,496
Clergy Reserve Funds, other sources	$1,883,394

EDUCATION IN NEW BRUNSWICK, JUNE 30, 1907.

	1st Term.	2nd Term.
Number of Schools	1,813	1,766
Number of Teachers	1,894	1,874
Number of Pupils	58,316	59,551
Proportion of Population at school	1 in 5·67	1 in 5·56
Provincial Grants for Schools	.....	160,552

Average Salaries in Schools—

1. Male Teachers....1st Class.....	$662.48	Female Teachers....	$360.12
2. Male Teachers....2nd Class.....	333.85	Female Teachers....	264.14
3. Male Teachers....3rd Class.....	245.83	Female Teachers....	206.13

EDUCATION IN PRINCE EDWARD ISLAND, 1906-7

	School Terms. 1906	1907
Number of School Districts	479	479
Number of Schools	478	479
Number of School Departments	590	597
Number of Schools Vacant	18	25
Teachers Employed	573	572
Number of Male Teachers	246	227
Number of Female Teachers	327	345
Pupils Enrolled	18,986	19,036
Government Expenditure on Schools	.....	$123,897
Paid Teachers by Trustees	$19,459	$20,298
Expended by Trustees for School Buildings	$8,732	$7,963
Contingent Expenses of School Boards	$18,062	$18,167

AVERAGE COUNTY SALARIES.

	Prince.	Queen's.	King's.
1. Men.			
1st Class	$393.33	$424.10	$298.57
2nd Class	245.16	249.27	241.09
3rd Class	203.13	190.75	193.16
2. Women.			
1st Class	226.87	256.72	212.22
2nd Class	208.68	203.58	190.68
3rd Class	156.75	180.27	145.31

EDUCATION IN NOVA SCOTIA, 1906-7

	July 31, 1906.	July 31, 1907.
School Sections in Province	1,828	1,830
Sections without Schools	187	167
Schools in Operation	2,446	2,465
Total Number of Teachers	2,578	2,626
Number of Normal-trained Teachers	1,032	1,033
Total Male Teachers	366	354
Total Female Teachers	2,212	2,272
Number of New Teachers	444	481
Pupils in High School Grades	7,639	7,646
Total Pupils in Public Schools	100,332	100,007
Value of Property in School Sections	$99,776,085	$102,070,302
Value of School Property in Sections	$2,048,739	$2,146,157
Total Municipal Expenditure on Education	$147,088	$146,958
Total Section Assessments	$655,705	$616,430
Total Provincial Expenditure	$270,925	$277,415
Teachers' Licenses issued	816	771
Mechanical Science Pupils	2,029	1,985
Domestic Science Pupils	1,677	1,715
Teachers in Graded Schools	1,020	1,029
Pupils in Graded Schools	51,499	51,354
Teachers in Ungraded Schools	1,558	1,597
Pupils in Ungraded Schools	48,833	48,653

EDUCATION IN ALBERTA, 1906

Number of School Districts	746
Increase during the Year	144
Number of Pupils Enrolled	28,784
Increase during the Year	4,530
Average Attendance of Pupils	14,782
Increase for the Year	1,406
Total Grants to School Districts	$170,315
Increase during the Year	$38,804
School Debentures Authorized	$422,325
Increase during the Year	$263,000
Unorganized Schools Receiving Financial Assistance	13
Total of Teachers' Salaries	$386,107
Increase during Year	$75,634
Total Number of Teachers	924
Increase during the Year	195

EDUCATION IN QUEBEC, 1906-7

Particulars.	Roman Catholic Model Schools and Academies.	Protestant Model Schools and Academies.
Model Schools	580	47
Pupils in Model Schools	88,207	4,712
Roman Catholic Pupils	87,818	265
Protestant Pupils	388	4,447

Particulars.	Roman Catholic Model Schools and Academies.	Protestant Model Schools and Academies.
Independent Academies	169	29
Pupils in Academies	38,439	6,379
Roman Catholic Pupils	37,846	247
Protestant Pupils	593	6,132
Male Lay Teachers with Diplomas	186	53
Male Lay Teachers without Diplomas	27	12
Female Lay Teachers with Diplomas	397	290
Female Lay Teachers without Diplomas	93	12
Male Religious Teachers	1,089	3
Female Religious Teachers	2,779	....

ROMAN CATHOLIC CLASSICAL COLLEGES.

Number of Colleges	19
Pupils in Commercial Course	2,422
Pupils in Classical Course	3,846
Number of Religious Professors	294
Total Number of Professors	624

Particulars.	Roman Catholic Elementary Schools.	Protestant Elementary Schools.
Number of Schools under control of Commissioners...	4,624	625
Roman Catholic Pupils	180,369	1,914
Protestant Pupils	612	26,985
Male Teachers in Orders	104	....
Number of Nuns Teaching	490	....
Average Salary—		
1. Male Lay Teachers, with Diplomas, in Towns..	$800	$1,333
Male Lay Teachers with Diplomas, in Country.	281	160
2. Female Lay Teachers with Diplomas, in Towns..	146	408
Female Lay Teachers with Diplomas, in Country	121	196

MISCELLANEOUS.

Total number of all kinds of educational institutions	6,523
Total male teachers	2,739
Total female teachers	10,196
Total Average Salaries in all Schools—	
1. Male Teachers with Diplomas	$739
2. Female Teachers with Diplomas	$158
Contributions of Municipalities toward Education—	
(a) Annual Taxes	$2,017,294
(b) Special Taxes	$232,598
(c) Monthly contributions	$283,008
(d) Fees from various institutions	$1,517,741
Total contribution from Municipalities	$4,050,741
Total contribution from Government	$540,650

EDUCATION IN MANITOBA, 1907

Legislative Grant to Schools	$208,787
Municipal Taxes for Schools	$1,082,781
Number of School Districts Organized	1,399
Number of Schools in Operation	1,847
Number of School-houses	1,270
1. Average Teachers' Salaries in Cities and Towns	$663
2. Average Teachers' Salary in Rural Schools	$491
3. Average Teachers' Salary for Province	$542
Number of Teachers attending Normal School	2,094
Number of Pupils Registered	64,123
Number of Teachers	2,365
Number of Male Teachers	596
Number of Female Teachers	1,769

Teachers with Certificates—
1st Class, 256; 2nd Class, 1,103; 3rd Class, 626; Interim, 214.

CANADIAN OBITUARY, 1907

Name.	Position.	Place of Death.	Date.
Acheson, George	Ex-Mayor	Goderich	July 2
Applehy, Charles	Editor *Dispatch*	Woodstock, N.B.	Nov. 3
Armstrong, J.P., Reuhen	Ex-Mayor	Toronto Junction	Mar. 20
Barclay, Robert	Ex-Alderman	Winnipeg	May 19
Bayard, M.D., LL.D., William	President N.B. Medical Society	St. John	Dec. 17
Beek, I.S.O., James Scott	Ex-Auditor General of N.B.	Fredericton	Mar. 1
Bell, Robert	Ex-M.P.P. for West Toronto	Toronto	Mar. 11
Benson, Dr. John Stafford		Chatham, N.B.	June 22
Bethune, M.A., B.C.L., Meredith B.	Banker	Montreal	Apr. 27
Beveridge, ex-M.P.P., Adam J.		Andover, N.B.	Sept. 29
Biggs, Lieut. Stanley Clarke	113th Napier Rifles, Bombay	Toronto	Sept. 11
Blair, K.C., ex-M.P., Hon. Andrew George	Ex-Minister of Railways and Canals	Fredericton	Jan. 25
Blumhart, William Edmond	Founder of *La Presse*	Montreal	Jan. 4
Boswell, Lieut.-Col. Charles Musgrave		Winnipeg	Mar. 12
Brecken, M.A., D.D., Rev. Ralph	Ex-Professor of Homiletics, Mount Allison	Toronto	Aug. 26
Buchan, M.D., Humphrey Ewing		Owen Sound	Oct. 17
Burland, George Bull	President British America Note Company	Los Angeles, Cal.	May 22
Caldecott, Stapleton		Toronto	Apr. 17
Cameron, Donald Ewen	Ex-Deputy Provincial Treasurer of Ontario	Toronto	Dec. 7
Cameron, Lieut.-Col. E. D.	Commanding Dufferin Rifles	Brantford	Jan. 7
Cameron, D.S.O., Lieut.-Col. George Whitfield		Winnipeg	Aug. 29
Cameron, John Rohson	Editor Hamilton *Spectator*	Hamilton	Dec. 29
Camsell, John Stuart	A Hudson's Bay Co. Chief Factor	Winnipeg	Jan. 16
Carpenter, ex-M.P., Major Frank M.		Fruitland, Ont.	Sept. 25
Carscallen, Alexander Williamson	Ex-M.P. for North Hastings	Belleville	Feb. 13
Casgrain, M.D., Hon. Charles Eusebe	Senator of Canada	Windsor	Mar. 8
Champagne, ex-M.P.P., Hon. Charles L.	Judge of Circuit Court, Montreal District	Montreal	Deo. 22
Chandler, M.A., Professor George Henry	McGill University	Montreal	May 29
Clendinning, ex-M.P.P., William	Ex-Alderman of Montreal	Depew, N.Y.	June 21
Cleveland, ex.M.P., Clarence Chester		Danville, P.Q.	Jan. 6
Cochrane, M.P., Edward		Ottawa	Mar. 8
Colcleugh, ex-M.P.P., F. W.	Nine times Mayor of Selkirk, Man.	Winnipeg	Oct. 21
Colby, ex-M.P., Hon. Charles Carroll	One-time President of the Privy Council	Montreal	Jan. 10
Coldwell, William	Pioneer Western journalist	Victoria	Feb. 18
Conlon, John	President Lincoln Paper Mills Co.	Thorold, Ont.	Nov. 11
Coussirat, D.D., Rev. Daniel	Professor of Hebrew, McGill University	Montreal	Jan. 8
Cox, Frederick George	Managing-Director, Imperial Life Insurance Co.	Toronto	Apl. 29
Crean, Captain John Francis	Gold Coast Regiment	Toronto	Mar. 23
Dawes, James Pawley	Financier and sportsman	Lachine	June 11
DesBarres, M.A., Rev. Thomas Cutler		Toronto	Sept. 2
Dixon, M.A., D.C.L., Ven. Alexander	Rector of St. George's Church, Guelph	Toronto	Feb. 26
Dobson, D.D., Rev. William		Charlottetown	Oct. 27
Donckele, Rev. Father George	Missionary Pioneer in British Columbia	Victoria	May 30
Dorais, Luis Treffle	Ex-M.P. for Nicolet	Montreal	Jan. 2
Drummond, M.D., LL.D., F.R.S.C., William Henry		Cobalt	Apr. 6
Dyment, Nathaniel	Lumberman and sportsman	Barrie	Feb. 4
Eaton, Timothy	Founder of the T. Eaton Co.	Toronto	Jan. 31
Fisher, B.A., Charles	Ex-M.P.P. for Batoche	Duck Lake, Sask.	June 9
Gaetz, D.D., Rev. Leo	Pioneer Methodist minister	Red Deer, Alta	June 9

Name.	Position.	Place of Death.	Date.
Gibbins, LL.D., Henry de Beltgens	Ex-Principal University of Lennoxville	Bradford, Eng.	Aug. 13
Gordon, ex-M.P.P., Hon. Daniel	Minister and then Opposition Leader	Georgetown, P.E.I.	Sept. 26
Graham, Harvey	Assistant General-Manager Nova Scotia Steel Co.	New Glasgow, N.S.	Oct. 31
Grahame, Thomas	Ex-M.P.P. for West York	London, Eng.	Apr. 25
Gunn, ex-M.P., Alexander	Ex-Postmaster of Kingston	Kingston	Jan. 15
Gunn, M.P., Benjamin B.		Ottawa	Dec. 9
Guy, Lieut.-Col. George	Militia Department	Ottawa	July 6
Hall, K.C., LL.D., ex-M.P., Hon. Robert Newton	Judge of King's Bench, Montreal	London, Eng.	July 1
Halliwell, Lieut.-Col., John Earl	Grand Master Orange Lodge of Ontario East	Stirling, Ont	Sept. 10
Hamilton, M.A., LL.B., James Cleland	Author	Toronto	Feb.
Hamilton, K.C., John Macpherson	County Judge of Halton	Kingston	Oct. 14
Harrington, PH.D., Bernard James	Ex-Professor of Chemistry, McGill.	Montreal	Nov. 29
Henshaw, Lieut.-Col. Frederick Clarence	Montreal financier	Montreal	Oct. 2
Hingston, M.D., LL.D., D.C.L., Sir William Hales	Senator of Canada	Montreal	Feb. 19
Holton, ex-M.P., Edward		Montreal	Aug. 10
Hood, Alexander John	Postmaster since 1862	Yarmouth	Dec.
Horne, Charles Robert	County Judge of Essex	Windsor	Feb. 3
Hoskin, K.C., Alfred		Toronto	Apl. 4
Howland, K.C.M.G, C.B., ex-M.P., Sir William Pearce	"A Father of Confederation"	Toronto	Jan. 1
Jamieson, B.A., Rev. Cyril Reginald		New Ontario	Sept. 7
Jones, M.A., D.C.L., Rev. William	Registrar of Trinity College	Toronto	Oct. 7
Joseph, Jacob Henry	Pioneer citizen and merchant	Montreal	Feb. 28
Kaulbach, ex-M.P., Lieut.-Col. Charles Edwin		Halifax	May 25
Kellett, Thomas H.	Ex-M.P.P. for Deloraine	Winnipeg	Nov. 2
Kennedy, William Thomas	Principal Halifax County Academy	Halifax	June 17
Kidd, George Nelson	M.P.P. for Carleton	Carp, Ont.	Feb. 9
Kingdon, D.D., D.C.L., Rt. Rev. Hollingworth Tully	Bishop of Fredericton	Fredericton	Oct. 11
Ladner, J.P., William Henry	Police Magistrate and Reeve, ex-M.P.P. for Delta	New Westminster	Nov. 1
Lafleur, LL.D., Rev. Theodore	Baptist Minister	Montreal	Oct. 13
Lesslie, Dr. Joseph Walter		Toronto	July 17
Lewis, Dr. Frederick William	M.P.P. for Dufferin	Toronto	May 24
Lovell, Henry	M.P. for Stanstead	Coaticooke, Que.	Dec. 4
Luxton, William Fisher	Founder of the Manitoba *Free Press*	Winnipeg	May 20
McAllister, Samuel	Principal of Ryerson School	Toronto	July 1
McCaskill, Duncan A.	Business man and financier	Montreal	July
McCormick, George	Ex-M.P. for Muskoka	Vancouver	Oct. 13
McDougall, Adam Gerrond	Founder of Virden ; Reeve of Wallace	Virden, Man.	Apl. 27
McGibbon, Lieut.-Col. William		Montreal	Mar. 25
McInnis, M.P.P., Hon. Stanley William	Provincial Secretary of Manitoba	Brandon	Nov. 4
McLennan, Lieut.-Col. Roderick R.	Ex-M.P. for Glengarry	Cornwall	Mar. 8
McMaster, Captain William Fenton		Toronto	Jan. 7
McMullen, John Mercier	Historian and journalist	Brockville	Feb. 9
MacInnes, John	President Acadia Loan Corporation	Halifax	Oct. 10
MacIntosh, Dr. Alexander	Judge of Probate	Antigonish, N.S.	Feb. 27
McWilliam, M.A., LL.B., Rev. William	Librarian of Knox College	Toronto	Jan. 7
Macarthur, ex-M.P.P., Duncan	Winnipeg banker and financier	Chicago, Ill.	Jan. 21
Macdonald, Adam Fergus	Ex-Principal of Wellesley School	Toronto	Apr. 2
Mackenzie, Alexander William	Secretary-Treasurer C. N. R.	Toronto	June 6
Maclennan, C.E., John Donald		New York	Feb. 26
Manley, Major Frederick Fitzpayne	Principal of Jarvis Street Collegiate	Toronto	Sept. 13
March, M.D., Surgeon-Lieut. Col. John Edgar	P.M.O., District No. 8	St. John	Apr. 3
Marks, George Thomas	Ex-Mayor of Port Arthur	Toronto	May 21
Marter, ex-M.P.P., George Frederick	One-time Conservative Leader of Ontario	Toronto	May 10
Mathewson, Frank H.	Banker and ex-President Montreal Board of Trade	Montreal	Nov. 29
Mather, John	Manufacturer and financier	Ottawa	June 10
Middlemiss, D.D., Rev. James		Guelph, Ont.	Mar. 10
Molson, John	President Molsons Bank	Montreal	July 27

Name.	Position.	Place of Death.	Date.
Morse, D.D., Rev. John Chipman ..	.....	Sandy Cove, N.S..	Apr. 21
Mungovan, Dennis Joseph.....	Editor Dufferin *Post*.....	Orangeville.....	Sept. 9
Murphy, K.C., Nicholas	.....	Toronto.....	Aug. 29
Murray, Hugh.....	Secretary Grand Lodge of Canada, A.F. & A.M.	Hamilton	Nov. 28
Neales, M.A., Ven. Thomas.....	.....	Woodstock, N.B...	Mar. 16
O'Bryan, S.J., Rev. Gregory	Rector of Loyola College	Montreal	June 6
O'Donoghoe, ex-M.P., Daniel John	Labour organizer	Toronto.....	Jan. 16
O'Meara, John Joseph.	Junior Judge of Carleton.....	Ottawa.....	Feb. 15
Oronhyatekha, Dr.....	Supreme Chief Ranger, Independent Order of Foresters.....	Savannah, Ga.	Mar. 3
Oxley, B.A., James Macdonald	Canadian author	Toronto.....	Sept. 9
Parent, Rev. Armand.....	French Canadian missionary.	Waterloo, P.Q.....	Feb. 18
Parker, M.D., Hon. Daniel McNeill	Ex-Member of Legislative Council	Halifax.....	Nov. 4
Patteson, Thomas Charles.....	Postmaster of Toronto.....	Toronto.....	Sept. 21
Peters, M.D., Lieut.-Colonel George Armstrong.....	Commanding Light Horse	Toronto	Mar. 13
Phillips, John Arthur.....	Author and journalist	Ottawa.....	Jan. 8
Plaxton, William	Ex-M.L.A., North-West Territories	Prince Albert.....	Apr. 28
Polson, Franklin Bates	Manufacturer	Toronto	Oct. 28
Potts, D.D., LL.D., Rev. John	General-Secretary of Education, Methodist Church	Toronto	Oct. 16
Proctor, James Albert.....	Chairman Court of Revision	Toronto	Aug. 27
Rankine, Thomas A.....	Business man	St. John	Feb. 15
Reid, Hon. Thomas Samuel	Member of Administration.....	Bermuda.....	June 5
Richardson, M.D., Samuel Rescott.	.....	Toronto	Mar. 26
Roaf, K.C., William	.....	Vancouver	Mar. 30
Robillard, ex-M.P.P., Alexander....	Registrar of Russell	Russell...	Sept. 2
Robinson, B.A., Christopher Conway.....	.....	Toronto	Mar. 2
Robinson, Jabel	Ex-M.P. for West Elgin.....	.....	Nov. 9
Robinson, John Morris.....	Banker	St. John	Feb. 2
Robson, B.A., David	British Columbia pioneer and journalist	New Westminster..	Sept. 17
Ross, Phillip Simpson	Business man and chartered accountant	Montreal	Feb. 1
St. John, K.C., LL.D., M.P.P., Hon. Joseph Wesley	Speaker of Ontario Legislature....	Toronto	Apr. 7
Sawyer, D.D., LL.D., Rev. Artemas Wyman.....	Ex-President of Acadia University.	Wolfville.....	Aug. 5
Sclater, Charles Page	Secretary-Treasurer Bell Telephone Company	Montreal.....	Mar. 25
Scott, D.D., Rev. John	Methodist minister and missionary.	Toronto	Aug. 18
Scriver, Julius	Ex-M.P. for Huntingdou	Quebec.....	Sept. 5
Shaw, B.A., James C.....	Principal Vancouver College	Vancouver	Apr. 18
Smith, William Henry.....	Banker	Toronto	June 4
Snowball, D.C.L., Hon. Jabez Bunting.....	Lieut.-Governor of New Brunswick	Fredericton	Feb. 24
Stewart, John James	Editor and proprietor Halifax *Herald*	.....	Feb. 27
Stockton, Ph.D., D.C.L., LL.D., K.C., Alfred Augustus.....	M.P. for St. John County.....	Ottawa.....	Mar. 15
Sweetland, Dr. John	Sheriff of Carleton.....	Ottawa	May 5
Tarte, ex-M P., Hon. Joseph Israel.	Ex-Minister of Public Works.....	Montreal.....	Dec. 18
Thomson, Andrew.....	President of Union Bank.....	Quebec	Jan. 10
Turnock, Francis Henry.....	Journalist.....	Boston.....	May 28
Uniacke, Captain Franclyn Fitzgerald	.....	Halifax	Jan. 13
Waldie, John	Lumberman and ex-M.P. for Halton	Toronto	June 12
Wallace, D.D., Rev. Isaiah.....	Methodist missionary	St. John	Dec. 24
Watson, Dixie.....	Clerk of the North-West Territories Supreme Court	Regina.....	Sept. 8
Whyte, Lieut.-Col. John Connal ..	Warden of the Westminster Penitentiary	New Westminster..	Oct. 9
Willis, Thomas	Ex-M.P.P. for West Hastings	Belleville	Mar. 17
Wrigley, George Wesley	Journalist and Socialist	Winnipeg	Jan. 14
Young, M.P.P., John	.....	Tracadie, N.B	July 12

INDEX OF NAMES

List of Bank Appointments 39
List of Insurance Appointments 69
Presidents of Agricultural Associations 179
Presidents of Leading Cobalt Mining Companies 214
Officers of Canadian Manufacturers Association 257
Members of Labour Boards of Conciliation 279
Canadian Trade Agents and Commissioners 300
Canadian Honours Bestowed by the King 306
Militia Camp Commandants and Brigadiers 488
Appointments to Command Regiments 489
Extensions of Regimental Commands 489
Miscellaneous Militia Appointments and Retirements 490
Ontario Official Appointments of 1907 503-4
Candidates in Manitoba General Elections 578-9
Candidates in British Columbia General Elections 607-8

Aberdeen Lady, 414.
Aberdeen, Lord, 303, 414.
Abruzzi, Duke of the, 413.
Acland, F. A., 273-279, 280.
Adams, Prof. F. D., 197.
Agnew, Hon. J. H., 238, 466, 564, 567, 578.
Ahearn, T., 82.
Aiken, J. A., 466.
Aikins, K.C., J. A. M., 476, 577.
Allan, Andrew A., 55.
Allan, Bryce J., 40.
Allan, F. G. B., 79.
Allan, Hugh A., 111, 122, 156.
Allan, Sir Montagu, 22, 59, 69, 342, 380, 382.
Allen, G. H., 63, 64.
Allen, H. S., 603.
Alexander, H. C., 280.
Allan, J. D., 366.
Allan, Andrew A., 55.
Alarie, Mme. J. D. A., 68.
Alexandra, H.M. Queen, 303.
Alverstone, Lord, 390.
Albany, Duke of, 358.
Ames, M.P., H. B., 461.
Ames & Co., A. E., 353.
Ambrose, M.P., Mr., 345.
Amberry, J. W., 261.
Andrews, Dr. W. W., 618.
Anglin, Mr. Justice, 90, 352, 428.
Anderson, A. H., 84.
Anderson, E. A., 476.
Anderson, Colonel, 485.
Anderson, John, 68.
Andrews, A. J., 476, 575.
Angell, President James B., 406.
Annesley, F. C., 147.
Andrew, William, 588.
Anson, Sir William, 311.
Angus, R. B., 57, 58.
Arnold-Foster, M.P., Rt. Hon. H. O., 52, 368.
Armstrong, Hugh, 566, 578.
Armstrong, C. N., 345.
Armstrong, J. E., 457, 462.
Armstrong, J. B., 628.
Armstrong, E. H., 620, 621, 622.
Argyll, Duke of, 305, 315, 322.
Armour, Dr. Donald, 314.
Armour, Hugh, 592.
Arran, Earl of, 342.
Arts, Abbe Joseph, 549.
Ashe, F. W., 39.
Ashdown, J. H,. 102, 562, 565.
Asquith, Rt. Hon. H. H., 322, 326, 344.
Aspinall, A. T., 367.
Asselin, Olivar, 553, 554, 549, 548-557.
Atkinson, F. H., 362.
Atlay, J. B., 362.
Attenborough, J. M., 362.
Aubin, A. O., 499.
Audette, Rudolphe, 111.
Auger, A. J., 231.
Auld, J. A., 506.
Autrobus, C.B., R. L., 339.
Avebury, Lord, 320.
Avonmore, Lord, 342.
Aylesworth, Hon. A. B., 273, 341, 400, 419, 420, 421, 434, 437, 438, 443, 463, 497, 514.
Aylmer, Lord, 421, 487, 488, 489.

Babcock, J. P., 223.
Bacon, H. M., 454.
Baillie, J. M., 623.
Baines, E. H., 39.
Baird, Hon. G. G., 235.
Baird, H. N., 478.
Baird, James, 210.
Baker, Rev. Dr., 526.
Baker, Hon. G. B., 266.
Balfour, M.P., Rt. Hon. A. J., 27, 311, 331, 332, 334, 346, 351.
Ballantyne, C. C., 156, 254.
Bancroft, F., 284.
Banfield, J. J., 356.
Barber, John R., 231.
Barclay, W. B., 148.
Barclay, W., 481.
Barker, S., 111, 437, 440.
Barnes, Kenneth, 361.
Barnes, M.P.P., Hon. James, 290, 624.
Barnard, F. G., 464.
Barnard, G. H., 469, 614.
Barnstead, Arthur S., 290, 617.
Barry, K.C., J. H,, 431.
Barthe, J. G., 411.
Bartlett, W. J., 284.
Baxter, J. B. M., 627.
Bayard, Dr. William, 313.
Bazin, Philippe J., 424, 425.
Beaulands, Rev. Canon, 391.
Beardmore, W. D., 79, 523.
Beatty, W. H., 53.
Beauchamp, Earl, 333.
Beaudet, E., 147.
Beaudry, J. A., 548.
Beaugrand, Honore, 411.
Beaulieu, M. Leroy, 18.
Beaujeu, Le Comte C. F. de, 411.
Beauparlent, A. M., 556.
Beck, Hon. Adam, 515, 517, 518, 520, 523, 524, 525.
Beck, Hugh, 285.
Beck, H. H., 76.
Beck, K.C., N. D. D., 599, 604.
Becker, E. D., 481.
Bedard, K.C., J. E., 558.
Beddoe, C. H., 444.
Bedout, Jacques, 411.
Beer, G. Frank, 258.
Begbie, Harold, 361, 363.
Begg, E. A., 39.
Begg, S., 361.
Begin, J. V., 591.
Beique, Senator, F. L., 539.
Bell, ex-M.P., A. C., 468.
Bell, Dr. Alex. G., 425.
Bell, C. H. F., 41.

Bell, C. N., 104, 476, 478, 561.
Bell, A. M., 634.
Bell, M.D., Gordon, 564.
Bell, Dr. Robert, 208, 406.
Belyea, C. W., 207.
Bengough, J. W., 407.
Bennett, J. R., 68.
Bennett, K.C., R. B., 184, 600, 603.
Bennett, W. H., 158, 441, 443, 462.
Benson-Clough, S., 361.
Benson, M.A., A. C., 315.
Bent, Hon. Thomas, 308, 332, 373.
Beresford, Admiral Lord Charles, 361.
Bergeron, J. G. H., 438, 457, 461, 463, 464, 465, 467, 542, 616.
Bergevin, A., 556.
Bernard, George, 544.
Bernier, J. B., 536.
Bernier Joseph, 574, 586.
Bernier, Hon. M. E., 99, 103.
Bernier, Hon. T. A., 266.
Berridge, M.P., F. C., 361.
Bertie, Sir F. L., 407, 408, 409.
Bertram, John, 254.
Best, Senator R. W., 308.
Bethune, H. J., 39.
Bethune, Mayor, 391.
Bethune, Dr. T. H., 499.
Bettingen, W. J. 182, 476, 477, 478, 560, 561.
Beveridge, James, 231, 236.
Bickerdike, M.P., R., 55, 75, 305, 342.
Bicknell, K.C., James, 352.
Bienvenu, T., 40.
Biermans, J. H., 231.
Biggar, A. M., 599.
Biggar, W. H., 122.
Bill, Henry, 49.
Billinghurst, E. E., 606.
Birch, Sir A. N., 361.
Bird, W. S., 406.
Birge, C. A., 254.
Birkett, Thomas, 214.
Birmingham, Robert, 474.
Birnie, K.C., John, 225.
Biron, Edouard, 558.
Birrell, Rt. Hon. Augustine, 306, 333, 343.
Bisaillon, K.C., F. J., 541.
Black, F. B., 54.
Blackadar, C. C., 79.
Blake, F., 619.
Blackstock, K.C., G. T., 256, 257, 377, 406, 463.
Blackwell, George Grove, 162.
Blain, R., 437, 462.
Blair, Hon. A. G., 423.
Blake, Hon. Edward, 314.
Blanchet, Justice J., 553.
Bland, Rev. Dr. S. G., 577, 585.
Blayney, J. D., 603.
Blodgett, T. H., 406.
Blouin, M.P., Cleophas, 557.
Blue, Archibald, 195, 239.
Blue, B.A., John, 604.
Bogert, C. A., 22, 43.
Bolduc, Hon. Joseph, 266.
Bole, D. W., 142, 449, 584.
Bond, Rt. Hon. Sir Robert, 321, 326, 327, 329, 331, 332, 335, 364.
Bond, W. C., 413.
Bonnar, R. A., 476.
Bonython, Sir Langdon, 311.
Booth, Rt. Hon. Charles, 320.
Booth, General, 360, 414, 500.
Booth, George, 253, 254, 257.
Booth, J. R., 122, 211, 231.
Borden, Rev. Dr. B. C., 471.
Borden, K.C.M.G., Hon. Sir F. W., 304, 321, 331, 332, 401, 419, 421, 423, 439, 452, 483, 485, 488, 618.
Borden, M.P., R. L., 87, 99, 111, 222, 255, 269, 274, 319, 345, 347, 375, 392, 396, 400, 401, 421, 424, 426, 429, 430, 433, 434, 436, 437, 438, 440, 443, 445, 449, 458, 459, 461, 463, 464, 465, 466, 474, 587, 603, 629.
Bosse, Mr. Justice J. G., 550.
Bostock, Hon. Hewitt, 238.
Boswell, V., 111.
Boucherville, Hon. C. E. B. de., 266.
Bourassa, M.P., H., 293, 429, 535, 536, 538, 541, 548, 553, 555, 556, 557, 558, 559, 609, 273, 430, 431, 432, 436, 438, 440, 441, 458.
Boyer, M.L.C., Hon. Arthur, 548.
Boyle, F. Whelan, 189, 190, 226, 362.
Boyle, John. 65,
Bradley, W. H., 405.
Bradshaw, J. E., 587.
Bradshaw, Thomas. 65.
Brainerd, L. B., 79.
Brassey, Lady, 333.
Brauer, W. D., 483.
Bredin, W. F., 186.
Bristol, Edmund, 457, 462, 470.
Bosworth, G. M., 40, 135.
Botha, Hon. Louis, 308, 321, 322, 323, 326, 331, 332, 334, 336, 339.
Bourke, E. F., 308.
Boville, T. C., 408.
Bowell, Sir Mackenzie, 266, 315.
Bowker, S. T., 207.
Bowles, A. E., 582.
Bown, K.C., J. C. F., 599, 600.
Bowser, Hon. W. J., 354, 606, 608, 613.
Bowyer, P. H., 511.
Boyce, A. C., 437.
Brittain, Harry, 361.
Britton, Mr. Justice, 428.
Brock, W. R., 75, 519.
Brodie, R., 179.
Brodeur, Dr. A., 411.
Brodeur, Hon. L. P., 78, 157, 321, 325, 332, 347, 357, 407, 408, 419, 420, 439, 459.
Brown, A. J., 58.
Brown, D. R., 425.
Brown, Edward, 569, 571, 574, 575, 578, 579, 580, 581, 582, 583, 584, 585, 586.
Brown, B. Hal., 63, 64.
Brown, M.P.P., J. T., 591, 592.
Brown, J. R., 636.
Browning, A. G., 69, 214.
Brownlee, W. G., 128.
Bruce, Hon. Alex., 361.
Bruchesi, Archbishop, 67, 265, 541.
Bruneau, Arthur A., 542.
Brunton, Sir T. Lauder, 361.
Bryce, M.P., James, 306.
Bryce, Rt. Hon. James, 377, 398, 400, 401, 402, 403, 406, 407, 415.
Bryce, Mrs., 406.
Buchanan, G. O., 189, 632.
Buchanan, W. A., 604.
Buckley, C. D., 406.
Bullen, Frank T., 315.
Bullen, H. F., 261.
Bulyea, Hon. G. H. V., 184, 600.
Bunn, J. R., 592.
Burbank, A. N., 228.
Bureau, M.P., Jacques, 341, 427.
Burke, Rev. A. E., 238, 629.
Burke, David, 63, 64, 72.
Burke, G. Eustace, 299.
Burke, Michael, 40.
Burn, George, 21.
Burns, Rt. Hon. John, 321, 344.
Burns, S. W., 529, 530.
Burns, P., 482.
Burns, N. A., 373.
Burn, George, 41.
Burnett, G. G., 76.
Burrows, T. A., 69, 100, 142, 158, 480.
Burpee, L. J., 151.
Burwash, Rev. Chancellor, 487.
Bury, George J., 139.
Burmans, J. H., 231.
Bush, O., 603.
Busteed, E. F., 139.
Butler, M. J., 80, 88, 116, 154, 163, 629.
Buxton, Rt. Hon. Sydney, 343, 456, 457.

Caillaux, J., 408.
Caillard, M.P., Sir Vincent, 361.
Calder, Fred., 636.
Calder, Hon. J. A., 311, 587, 588, 590, 594, 595.
Calvert, M.P., W. S., 432.
Cameron, Agnes Deans, 175.
Cameron, J. A., 41.
Cameron, K.C., J. D., 568, 576.
Cameron, Mayor A. L., 184.
Campbell, Hon. C. H., 256, 311, 356, 560, 566, 567, 569, 578, 590.
Campbell-Bannerman, Rt. Hon. Sir H., 313, 321, 331, 332.
Campbell, Sir Alexander, 315.

Campbell, C. A., 620.
Campbell, R. H., 237.
Campbell, Neil, 76.
Campbell, Dr. T. J., 361.
Campbell, Rev. T. M., 527.
Campbell, M.P., Archibald, 432, 438.
Campbell, A. M., 482, 564.
Campbell, F. J., 231.
Campbell, Glen, 565, 571.
Campbell, K.C., Isaac, 583.
Campbell, J. A., 585.
Campkin, H. H., 588.
Carnegie, Andrew, 415.
Carney, M.P., M., 434.
Caron, Sir Adolphe, 605.
Carpenter, A. A., 600.
Carpenter, Prof. R. L., 184, 614.
Carrel, Frank, 551.
Carrick, J. J., 564.
Carrington, Lord, 332.
Carruthers, James, 29.
Carruthers, Hon. J. H., 308.
Cartier, Sir George E., 469.
Cartier, Miss, 469.
Carter, C. B., 535.
Carter, W. D., 627, 628.
Cartwright, Sir R. J., 306, 381, 437, 444.
Carvell, M.P., F. B., 432, 441, 628.
Casey, Austin, 236.
Casgrain, Hon. J. P. B., 120, 152.
Cash, E. L., 100, 149.
Cassels, Robert, 34.
Cassels, K.C., Walter, 104.
Cassidey, J. J., 254.
Casson, H. N., 50.
Castle, C. C., 181.
Catelli, C. H., 413, 636.
Caverhill, George, 58, 59.
Cecil, Lord R., 335.
Ceperley, H. P., 41.
Chadwick, G. N., 415.
Chaffey, B. E., 583.
Chamberlain, Albert, 293.
Chamberlain, Rt. Hon. Austen, 334.
Chamberlain, Rt. Hon. J., 306, 315, 322, 334, 350, 351, 357, 396.
Champagne, Alphonse, 76.
Chapais, M.L.C., Hon. T., 541, 559.
Chapin, F. B., 214.
Chaplean, Sir Adolphe, 411, 544.
Chaplin, Rt. Hon. H., 335, 341.
Chapman, Hon. Austin, 303.
Chapsal, J., 408.
Charbonneau, Mr. Justice N., 555.
Charlesworth, L. C., 604.
Charlton, H. R., 362.
Charlton, John, 228, 405.
Chartrand, Joseph Demers, 411.
Casgrain, Hon. T. Chase, 457, 461, 540.
Chausegros de Levy, Francois Joseph, 411.
Chauret, M.P.P., J. A., 556.
Chauveau, Hon. Alexandre, 411.
Chevrier, Horace, 41, 567, 569, 571, 574, 578, 582, 583, 585, 586.
Childs, R. F., 614.
Chipman, Miles, 618.
Chisholm, Hon. Christopher P., 616, 623.
Chisholm, Sir Samuel, 361.
Chisholm, Thomas, 375.
Chivers-Wilson, S., 592.
Choquette, Hon. P. A., 147.
Chown, Rev. Dr. S. D., 527, 584.
Churchill, Rev. J. W., 379.
Cimon, Judge, 558.
Churchill, Rt. Hon. Winston, 321, 326, 329, 333, 335, 343, 346, 536, 609.
Clancy, Bishop, 345.
Clapp, G. R., 76.
Clark, J. D., 68.
Clark, K.C., J. M., 210, 498.
Clark, J. T., 36, 387, 444, 445.
Clark, T. P., 179, 476.
Clark, Sir W. Mortimer, 256, 381, 505.
Clark, W. H., 481.
Clarke, Charles, 503.
Clarke, E. F., 269.
Clarke, G. J., 628.
Clarke, Sir G. S., 307.
Clarke, S., 506.
Clarke, T. R., 211.
Clemenceau, M., 407.
Clement, Justice W. H. P., 354, 614.
Clergue, F. H., 501.
Clews, Henry, 24.
Cloran, Hon. H. J., 150.
Clouston, E. S., 21, 27, 31. 41, 50, 75, 362.
Clutton-Broch, John, 122.
Coatsworth, Mayor Emerson, 89, 90, 157, 266, 519.
Cobbett, Dr. C. N., 604.
Cochrane, Hon. Frank, 226, 238, 499, 500, 504, 507, 508, 509, 511.
Cochrane, R. C., 636.
Cockman, P. H., 361.
Cockshutt, W. F., 457, 462, 466.
Cockshutt, H., 22, 231, 254, 256, 450.
Cody, Rev. Canon, 65.
Coghlan, T. A., 311.
Coldwell, Hon. G. R., 560, 564.
Colomb, Sir J. C. R., 320, 345.
Collins, Lord, 354.
Collins, H. A., 68.
Collins, Henry M., 373.
Colmer, C.M.G., J. G., 305, 320.
Comeau, J. William, 616.
Comeau, Hon. A. H., 616.
Conmee, M.P., James, 353.
Connelly, Robert, 236.
Conybeare, K.C., C. F. P., 41, 599.
Congdon, F. T., 615, 616.
Connaught, Prince Arthur of, 307, 380.
Connaught, H.R.H. Duke of, 306, 380.
Coombes, Commissioner, 290, 291.
Cooper, C. F., 621, 622.
Cooper, John A., 533.
Cooper, Theodore, 109, 110, 111.
Cooke, Mr. Justice, 541.
Cook, Mayor R. S., 635.
Cooke, Joseph, 308, 362.
Copp, M.P.P., A. B., 431.
Corbin, D. C., 83.
Cosgrave, John, 254.
Cotterill, F. W., 386.
Cotton, Colonel W. H., 488.
Coulson, Duncan, 27, 39, 41.
Clouston, E. S., 451.
Coughlin, Dr., 473.
Courtney, J. M., 424, 451.
Cousins, Mayor W., 632, 636.
Cowan, Alex., 68.
Cowan, K.C., M. K., 104.
Cowan, Harry, 397.
Cowan, Thomas, 254.
Cowan, K.C., G. H., 41, 91, 390, 397, 606.
Cox, C.B., H. Bertram, 337.
Cox, E. W., 63, 72, 73, 75.
Cox, F. G., 63.
Cox, Hon. George A., 43, 55, 57, 59, 70, 122, 156, 218, 228, 266, 388, 441.
Cox, Herbert C., 64, 73.
Cox, Harold, 136, 343.
Craig, R. W., 466.
Cranston, Sir Robert, 361.
Crathern, James, 57, 69.
Crawford, John, 142.
Crawford, M.P., John, 100.
Crawford, Hon. T., 211, 506, 521.
Crease, Lindley, 391.
Creed, C. M., 634.
Creelman, K.C., A. R., 104.
Creelman, G. C., 190.
Cresse, K.C., L. G. A., 376.
Crewe, Earl of, 311.
Crocket, J. H., 431, 468.
Crocket, M.P., O. S., 119, 431.
Cromb, David L., 362.
Cromer, the Earl of, 307, 315.
Cronyn, Hume, 55, 69.
Cross, A. E., 257.
Cross, Hon. C. W., 602.
Crothers, K.C., T. W., 533, 535.
Crozier, Dr. John Beattie, 315.
Crowe, G. R., 39, 356, 478, 561.
Crowe, K.C., Walter, 58, 618.
Cullinan, T., 308.
Cumming, Melville, 194, 618.
Cummins, A. B., 404.
Cunningham, Thomas, 295.
Currie, John D., 619.
Currie, William, 624.
Curry, K.C., J. W., 101.
Curry, S. G., 425.
Curzon, Lord, 313, 314.
Cushing, Hon. W. H., 184, 196, 277, 586, 597, 598, 600, 601, 604.
Cuthbert, M.L.C., Sir Henry, 315.
Cutler, T. H., 257.

Dagger, Francis, 562, 589.
Dallemagne, H., 408.
Daly, Hon. T. Mayne, 378, 476.
Dandurand, Hon. R., 40, 411, 539.
Dane, Frederick, 503.
Daniel, J. W., 449.
Daniels, K.C., O. T., 616.
D'Anjou, P. E., 536.
Darch, F. J., 68.
Dargavel, J. R., 274.
Darroch, D. L., 603.
David, Hon. L. O., 496, 539.
Davis, Admiral, 367, 368, 369.
Davis, Hon. T. O., 150, 151.
Davidson, Hon. C. P., 117.
Davidson, John, 49.
Davidson, Lieut.-Col. J. I., 214, 488, 529.
Davidson, K.C., N. F., 472.
Dawson, A. J., 361, 362, 363.
Dawson, Alex., 636.
Dawson, Dr. G. M., 202.
Dawson, M. M., 74.
Deacon, T. R., 258.
Deakin, K.C., Hon. Alfred, 308, 312, 320-322, 324-336, 338, 343, 347, 372.
Dean, A., 76.
Deans, J. Sterling, 109.
Dean, William, 481.
Decarie, M.P.P., J., 535.
DeCelles, Dr. A. D., 411, 469.
Dufault, Sergius, 551.
Defoe, D. M., 529, 530.
D'Hellencourt, M., 556.
DeJardin, F., 551, 552, 554, 555.
Delage, M.P.P., Cyrille, 551.
Delanney, M., 408.
Denison, A.D.C., Admiral John, 314.
Denison, Lieut.-Col. G. T., 314.
Dennis, J. S., 184.
Denton, K.C., Frank, 41.
Derby, Earl of, 332, 333.
Desauluiers, Gonzalve, 548.
Desaultes, Hon. G. C., 39, 420, 427.
Desjardin, Hon. Alphonse, 273, 542.
Devlin, Charles R., 375, 438, 536, 540.
Devonshire, Duke of, 320.
Dewar, A. L., 40, 41.
Digby, Sir Kenelm E., 361.
Dillinger, A. F., 88, 100, 143.
Dimock, H. F., 57, 58, 59.
Dixon, James, 52.
Doherty, Hon. C. J., 40.
Domville, Hon. James, 266.
Donkin, Hiram, 58.
Donly, A. W., 299, 300, 412.
Donly, H. B., 455.
Donovan, A. E., 492.
Doutenwill, Bishop, 411.
Dougall, J. S. N., 548.
Doughty, A. G., 173.
Douglas, R. C., 110, 502.
Dowling, D. B., 198.
Downey, J. P., 511.
Drage, Geoffrey, 330.
Draper, P. M., 283.
Drayton, H. L., 104.
Drewry, E. L., 42.
Drolet, Gustave, 411.
Drummond, Sir G. A., 32, 50, 75, 254.
Drummond, G. E., 39, 214.
Drummond, James, 315.
Drummond, Hon. R., 618.
Drury, Colonel C. W., 488.
Drysdale, Hon. Arthur, 238, 616, 617, 619, 620.
Dubord, Hon. C. E., 536, 551.
Dudley, Colonel L. Edwin, 302, 405.
Dudley, Earl of, 368.
Duff, A. E., 128.
Duff-Miller, C. A., 290.
Dugas, M.P., F. O., 273.
Dugas, Mr. Justice, 615.
Duggan, G. H., 56, 57.
Dumoulin, P. B., 112.
Dundonald, Lieut.-General, Earl of, 488, 489.
Dunn, Bishop, 407.
Dunn, W. R., 258.
Dunsford, J. T., 362.
Dunsmuir, Hon. James, 184, 265, 381, 386, 391, 397, 610, 612.
Dupuis, M.P.P., F. X., 536, 543, 557.
Durand, J. E., 41.
Durant, Francis, 162.

Eaton, John C., 39.
Eaton, M.D., J. M., 564.
Earle, E. P., 212.
Eberts, K.C., D. M., 90, 605, 608, 610.
Eddy Co., E. B., 230.
Edison, T. A., 616.
Edwards, Samuel, 604.
Edwards, Hon. W. C., 228, 231, 233, 234.
Ekers, Mayor H. A., 547.
Elgin, The Earl of, 274, 303, 321, 323, 325, 330, 331, 332, 334, 336, 344, 361, 365, 414, 487, 610.
Eliot, C. W., 272.
Elliott, A. T., 362.
Elliott, Sir Charles, 311.
Elliott, D. K., 39.
Elliott, Howard, 94.
Elliott, James, 22.
Elliott, President, 406.
Elliott, R. T., 614.
Elliott, R. W., 254.
Elliott, Thomas, 303.
Elliott, Dr. W., 596.
Ellis, D. D., 596.
Ellis, James, 68.
Ellis, J. A., 634.
Ellis, J. F., 254.
Ellis, Hon. J. V., 137.
Ellis, Mr. Magistrate, 127.
Ellis, P. W., 254, 258, 523.
Ellis, Prof. R. W., 152.
Ellis, Senator J. V., 432.
Elliston, W. Rowley, 362.
Embury, J. F. L., 591.
Emerson, J., 634.
Emmerson, Hon. H. R., 40, 87, 89, 115, 116, 158, 236, 419, 428, 430, 431, 433, 468.
Esher, Viscount, 315.
Estabrooks, T. H., 627.
Euan-Smith, Sir C. B., 40.
Evans, Kelly, 405.
Evans, Sanford, 568, 575.
Ewart, K.C., J. S., 340, 378.
Ewing, S. W., 258.
Ewing, Hon. T. T., 308.

Fabre, C.M.G., Hector, 411.
Falconbridge, Chief Justice, 502.
Falconer, Dr. R. A., 379, 471, 631.
Fallieres, President, 407.
Farrell, A. G., 594.
Farrell, Hon. E. M., 619, 620.
Farrer, Sir George, 309.
Farris, Hon. L. P., 624.
Farthing, Dean, 407.
Farwell, William, 20.
Fasken, Alexander, 69.
Faucher de St. Maurice, 411.
Fenwick, M. A., 590.
Fergie, C. C., 57.
Ferguson, Hon. D., 149, 150, 437, 629.
Ferguson, G. H., 506.
Ferguson, Sir James, 368.
Ferguson, P., 588.
Fernow, Prof. B. E., 234, 235.
Fife, Duke of, 332.
Fife, Wm., 361.
Fielding, Hon. W. S., 118, 137, 157, 255, 306, 349, 357, 367, 400, 407, 408, 419, 429, 442, 445, 446, 447, 448, 451, 452, 453, 473, 488, 610, 619.
Finlay, Hon. W. T., 586, 598, 599, 602.
Finn, R. E., 620.
Firebrace, Colonel, 122.
Firstbrook, John, 262.
Fischer, Hon. C., 309.
Fish, C. E., 236.
Fisher, M.P., Andrew, 308.
Fisher, J. R., 361.
Fisher, Hon. S. A., 157, 158, 172, 303, 306, 350, 355, 359, 401, 417, 425, 434, 468.
Fisher, W. H., 211.
Fisher, W. S., 633.
Fitchett, Dr., 307.
Fitzhugh, E. H., 122, 125.
Fitzpatrick, Sir Charles, 255, 376, 401, 415, 443.
Fitzpatrick, Sir Percy, 308, 309.
Flavelle, J. W., 53, 529.
Flemiug, John, 478.
Flemming, J. K., 627.
Fleming, R. J., 82.
Fleming, Sir Sandford, 315, 415.
Fleming, Sir S., 636.
Flett, James, 589.
Flint, J. J. B., 502.
Flood, E. H. S., 299, 300, 367.
Flumerfelt, A. C., 198, 614.
Follis, Rev. R. J., 526.
Forbes, J. Colin, 313.
Forbes, T. F., 594.
Ford, K.C., Frank, 591, 592.

Forget, Hon. A. E., 238, 592.
Forget, Hon. L. J., 40, 56, 59, 82.
Forget, R., 25, 26, 40.
Forrest, H. F., 570.
Forrest, Rt. Hon. Sir John, 308.
Foster, Hon. Geo. E., 40, 51, 70, 149, 150, 255, 319, 399, 406, 413, 420, 434, 439, 441, 442, 443, 448, 449. 457, 458, 461, 469, 470, 615.
Foster, K.C., G. G., 394.
Foster, Judge S. W., 83.
Foster. W. E., 158.
Fowler, A. E., 386.
Fowler, E. A., 389.
Fowler, F. O., 476, 478.
Fowler, G. W., 70, 429, 430, 431, 438, 439, 441, 458, 461, 480.
Fowler, J. F., 604.
Fox, Sir Douglas, 630.
Foy, J. F., 284.
Foy, Hon. J. J., 67, 75, 113, 210, 311, 497, 498, 501.
Francq, Gustav, 267, 284.
Fraser, A. L., 630.
Fraser, Hon. D. C., 407, 616, 619.
Fraser, Rev. Dr., 386, 388, 390.
Fraser, J. D., 82.
Fraser, W. A., 76.
Fraser, W. H., 254.
French, Sir John, 306.
Freyseng, E. J., 258.
Fudger, W. E., 79.
Fuller, F. S., 619.
Fullerton, K.C., J. S., 104.
Fulton, Hon. F. J., 184, 608, 614.
Fushimi, H.I.H. Prince, 380, 382.
Fyfe, H. H., 363, 422, 473.
Fyshe, Dr. James C., 413.
Fyshe, Thomas, 451, 454.

Gage, J. C., 476-478.
Gagne, Judge J. A., 147.
Gagnon, Arthur, 551.
Galbraith, Prof. John, 109.
Galibert, Emile, 411.
Galer, H. N., 198.
Gamey, R. R., 498, 499.
Gardiner, H. F., 503.
Garneau, Mayor J. G., 84, 147, 380, 418, 425, 551.
Garneau, Hon. N., 111.
Gaudet, Major, 485.
Gault, C. Ernest, 535, 543.
Gauthier, M.P.P., L. J., 543, 556.
Geoffrion, L. E., 156.
George, W. K., 254.
Geoffrion, K.C., Aime, 101.
Gerin-Lajoie, Dr., 411.
Gervais, K.C., H., 101, 273.
Gibb, D. E. W., 362.
Gibbon, J. M., 361.
Gibson, T. W., 208.
Gibson, Colonel J. M., 52, 438, 485, 487, 527.
Gibson, Hon. Wm., 266.
Gifford, Hon. Maurice R., 361.
Gilbert, B. Lee, 125.
Gilchrist, Alex., 284.
Gill, J. M., 79.
Gillespie, James, 502, 503.
Gilmour, A., 603.
Gimby, Dr. J. H., 504.
Girard, M.L.A., Alfred, 420.
Girouard, Lieut.-Colonel Sir E. P. C., 314.
Glen-Coats, Lady, 333.
Globensky, K.C., Arthur, 544.
Godfrey, Dr. Forbes, 492.
Goepel, W. J., 614.
Goethals, Chevalier, 551.
Gogain, J. B., 624.
Goggin, D.C.L., D. J., 535.
Goldman, L., 64.
Goldie, G. E., 477.
Gompers, S., 267.
Goodeve, A. S., 606.
Gooderham, W. H., 69.
Gooderham, M. R., 69.
Gordon, A. L., 591.
Gordon, C. B., 544.
Gordon, Rev. Dr. C. W., 356, 472, 574, 577, 585.
Gordon, Dr. D. M., 379.
Gordon, George, 210.
Gordon, Rev. J. L., 387.
Gordon, M.P., G. A., 69.
Gordon, M.P.P., J. T., 483, 574.
Gordon T. A., 594.
Gorst, Sir J. Eldon, 307.
Gosnell, R. E., 50, 136, 311.
Gosselin, F. X., 615.
Gould, Hon. A. J., 308.
Gould-Adams, Sir Hamilton, 309.
Gourdeau, Lieut.-Col. G., 411.
Gouin, K.C., Hon. Lomer, 411, 535, 536, 537, 544, 546, 554, 556, 557, 558, 559.
Gourlay, D. C., 481.
Gow, J. Graham, 373.
Gowan, Sir J. R., 426.
Grady, A. F., 68.
Graham, Hugh, 421-423.
Gregory, C. Ernest, 426.
Gregory, J. Fraser, 236.
Grenfell, Arthur, 414.
Grenfell, Lady Victoria, 414, 592, 624.
Grenfell, Dr. Wilfrid T., 313.
Grey, Sir Edward, 332, 401, 407.
Grey, Earl, 111, 237, 271, 273, 304, 376, 383, 398, 402, 403, 414, 415, 417, 418, 434, 484, 485.
Grey, Lady Evelyn, 415.
Grey, Lady, 414, 416.
Griffith, W. L., 363.
Griffiths, T. J., 285.
Grigg, Richard, 297, 298.
Grisdale, Rt. Rev. Dr., 590.
Graham, Hon. George Perry, 67, 116, 121, 181, 432, 434, 492, 495, 506, 512, 513, 514, 521, 527, 528, 532, 533.
Grant, Lieut.-General H. F., 307.
Grant, Gordon, 118.
Grant, Sir James, 357.
Grant, John, 615.
Grant, M.A., W. L., 311.
Graves, Jay P., 217.
Grantham, H. M., 534.
Gray, Howard, 361.
Green, G. H., 362.
Green, Hon. R. F., 468, 604, 605, 614.
Green, W. J., 210.
Greene, Francis V., 516.
Greene, George W., 599.
Greenshields, E. B., 75, 122.
Greenway, Thos., 149, 434, 480, 583.
Greenwood, M.P., Hamar, 363, 368, 370, 419.
Grogan, A. M., 481.
Groom, Hon. E., 308.
Grosse, A. G., 481.
Guerin, K.C., Edmund, 542.
Gullard, J. A. L., 362.
Gurney, Edward, 254, 450.
Gwatkin, Lieut.-Col., 483.

Haanel, Ph.D., Eugene, 202, 247, 427.
Hackett, K.C., M. F., 67.
Hadrill A. W., 76.
Hadrill, George, 97.
Hagel, K.C., N. F., 476.
Hague, George, 41.
Haggart, K.C., Alex., 483.
Haggart, E. A. H., 299, 300.
Haggart, Hon. J. G., 116.
Haggerty, Thomas, 286.
Hahn, C. C., 286.
Haldane, Rt. Hon. R. B., 321-324.
Haley, Prof. F. R., 618.
Hall, Dr. Ernest, 607.
Hall, H., 590.
Hall, J. S., 634, 636.
Hall, Robert, 180.
Hall, J. T., 184.
Hall, Thomas H., 79.
Halliwell, Lieut.-Col. J. E., 473.
Hamilton, B. R., 570.
Hamilton, C. F., 292, 459.
Ham, G. H., 361.
Hammond, John Hays, 202.
Hand, T. A., 68.
Hanna, D. B., 55, 75, 139, 140, 141, 147, 148.
Hanna, Hon. W. J., 503, 509, 511, 526, 527, 528.
Harcourt, Rt. Hon. L. V., 374.
Harcourt, Hon. Richard, 306, 501, 502, 509.
Hardie, J. Keir, 265, 309, 360.
Hardman, J. E., 267.
Harlan, Mr. Justice, 406.
Harris, K.C., R. E., 50.
Harton, W. H., 491.
Harvey, Hon. Horace, 599.
Harvey, K.C., J. A., 41, 469, 614.
Hassard, F. L., 257.
Hastings, G. V., 249.
Hastings, T. A., 530.
Hatchard, T. H., 478.
Haultain, Arnold, 523.
Haultain, K.C., Hon. F. W. G., 476, 587, 590. 591, 593, 594, 599, 616.
Hawkins, W. C., 52.
Hawthornthwaite, J. H., 608.
Hay, Alex. M., 214.
Hay, Dr. G. U., 236.
Hayashi, Count, 393, 394.

Hays, C. M., 90, 104, 105, 119, 120, 121, 122, 123, 124, 125, 191, 388.
Haysom, William, 196, 603.
Hazen, K.C., J. Douglas, 235, 431, 624, 626, 627.
Hearst, W. H., 501, 504.
Heath, F. H., 64.
Heaton, J. Henniker, 368.
Hebden, E. F., 27.
Hebert, P. H., 411.
Heinze, Augustus, 136.
Helbronner, Jules, 411.
Henderson, K.C., Alex., 608, 615.
Henderson, Anton, 261.
Henderson, David, 449.
Henderson, Prof. G. C., 315.
Henderson, G. F., 210.
Hendrie, John, 91, 257.
Hendrie, Lieut.-Col., Hon. J. S., 363, 487, 495, 520.
Henry, Arsene, 408.
Henry, Rev. E. A., 590.
Herridge, Rev. Dr. W. T., 387.
Herron, John, 439, 449, 466. 479, 480.
Hertzog, General, 309.
Hetherington, T. S., 258.
Hicks-Beach, Sir Michael, 350.
Higgins, Henry, 40.
Hill, Hamnet P., 357.
Hill, J. J., 50, 84, 120, 152, 179, 217.
Hill, L. W., 152.
Hillary, N., 40.
Hislop, A., 506.
Hoagland, G. A., 290.
Hoare, A. E., 109.
Hobbs, Rev. Richard, 526.
Hobbs, Walter E., 362.
Hobhouse, M.P., Mr. C. E. H., 306.
Hobson, Joseph, 128.
Hobson, R., 257.
Hodge, William, 618.
Hodgins, K.C., F. E., 347, 407, 529.
Hofmeyr, J. H., 309.
Holden, M.P.P., J. B., 598.
Holgate, Henry, 109.
Holland, Sir H. T., 315.
Holmes, Colonel J. G., 487.
Holt, H. S., 25, 39.
Holt, W. R., 362.
Honeyman, J. R. C., 592.
Hoover, A. H., 76.
Hopkins, E. N., 177, 179.
Hopwood, Sir Francis, 321.
Hoskins, K.C., Dr. John, 53, 75.
Hosmer, C. R., 249.
Hossack, Rev. D. C., 526.
Hough, Ernest, 175.
Hough, J. A., 207.
Housser, J. H., 258.
Houston, John, 120, 607.
Howard, Donald, 304.
Howard, Hon. Mrs. Robert, 304.
Howay, K.C., F. W., 614.
Howden, James Henry, 559, 562.
Howe, Church, 408.
Howland, W. H., 254.
Hoyle, W. H., 67, 510.
Hoyt, Colgate, 216.
Hudson, R. S., 53.
Hughes, Hon. G. E., 630, 634.
Hughes, J. J., 436, 629.
Hughes, J. L., 69, 311.
Hughes, M.P., Col. S., 156, 375, 436, 438, 473, 485, 487.
Hughes, S. N., 406.
Hull, H. C., 308.
Humphries, A. E., 184.
Hunt, J. A., 413.
Hunter, W. H., 68.
Hurd, James D., 55.
Hurd, Percy, 419
Hutcheson, M.A., E. B., 590.
Hutchings, R. J., 632.
Hutchinson, A. C., 425.
Hutchinson, G. E., 596, 597.
Hutchinson, Wm., 303, 413.
Hutchinson, W. Scott, 214.
Hutton, B.A., G. H., 173.
Hyman, Hon. C. S., 419, 427, 428, 429, 432
Hyndman, J. D., 603.
Hynes, John F., 529.

Inch, Dr. J. R., 235.
Irving, Dr. L. E. W., 604.
Irwin, H., 68.
Irwin, J. S., 251, 252.

Jackman, Hon. E. M., 364.
Jackson, David, 566.
Jackson, Heath, 570.
Jackson, Sir H. M., 122.
Jackson, S. J., 563.
Jacobs, E, 217.
Jacobs, F., 551.
Jaffray, Hon. R., 69, 523.
James, C. C., 192, 501.
James, E. A., 92, 148.
James, W. R., 286.
Jameson, C. B., Hon. L. S., 309, 321, 322, 323, 324, 325, 326, 332, 333, 334, 335, 351.
Jameson, R. R., 132.
Jansen, Peter, 227.
Jarvis, Aemilius, 34.
Jarvis, E. F., 483.
Jaxon, H. J., 283.
Jay, George, 614.
Jebb, Richard, 330.
Jemmett, F. G., 34, 35.
Jenkins, Hon. J. G., 311.
Jennison, J. L., 407.
Jephcott, Alfred, 258.
Jersey, Countess of, 333.
Jersey, The Earl of, 315, 333. 418, 540, 542.
Jette, Sir L. A., 255, 380, 411.
Jobin, Dr., 547.
Johnson, Dr. George, 444.
Johnson, Hon. James, 564.
Johnson, T. H., 583, 585.
Johnston, Alex., 437.
Johnston, M.L.C., Hon. C. J., 373.
Johnston, K.C., E. F. B., 42, 387, 428, 519.
Johnston, Rev. Dr. Robert, 387.
Johnstone, Hon. T. C., 594.
Joly, Sir H. de Lotbiniere, 238.
Jones, Sir Alfred, 368.
Jones, A. E., 79, 366.
Jones, Dr. C. C., 235.
Jones, F. P., 56, 58.
Jones, F. W., 41.
Jones, George Albert, 362.
Jones, Hon. W. P., 624.
Jones, S. L., 603.
Judd, Mayor J. C., 502, 503.
Julyan, K.C.M.G., Sir Penrose Goodchild, 315.
Junkin, J. F., 63.
Just, H. W., 337.

Karn, D. W., 254.
Kaye, E. G., 628.
Kearney, T. J., 615.
Keating, Senator J. H., 308.
Keene, W. J., 287.
Kelly, John, 254.
Kelly, Colonel Nicholas William, 315.
Kelly, W. A., 286.
Kelley, Howard G., 128.
Kemp, A. E., 160, 254, 445.
Kennedy, H. W., 491.
Kennedy, J. B., 382, 396, 479.
Kennedy, Mayor, 527.
Kenny, J. J., 75.
Kent, A. L., 69.
Kent, John Gowans, 214.
Kent, K. C., Hon. James M. 364.
Kerry, J. G. G., 109.
Ketchen, A. P., 592.
Kidd, M.P.P., S. N., 491.
Killam, Hon. A. C., 99, 103, 104, 105, 117.
Kilpatrick, Rev. Dr., 296.
King, (The) Edward VII., 303, 414.
King, W. L. Mackenzie, 268, 273, 277, 279, 281, 293, 396, 397, 432, 453.
King, M.P.P., Ora, P., 628.
Kingsbury, Judge, 390.
Kingsmill, Capt. C. E., 312.
Kinloch-Cooke, Sir C., 333.
Kipling, Mrs., 356.
Kipling, Rudyard, 355, 356, 357, 358, 387.
Knight, C. C., 65.
Knight, G. W., 79.
Knight, J. T. P., 41.
Knisley, William, 379.
Knott, Horace G., 55.
Knowles, W. E., 149, 150, 449, 480.
Knox, John, 52.
Kohler, Jacob, 506.
Kuroki, Baron, 380.

Laberge, J. M., 536.
LaBillois, Hon. C. H., 624.
Labrosse, L. J., 509.
Lacasse, Rev. Father, 475.
Lachapelle, J. O., 615.
Lachapelle, Dr. E. P., 411.
Lacoste, Sir Alex., 69, 542.
Lafferty, Dr. J. D., 604.
Laflamme, L'abbe J. C. K., 411.
Laflamme, K.C., N. K., 550, 551, 552, 553, 554, 556, 557, 558.
Lafleur, J. B., 76.
Lafontaine, Mr. Justice, 287.

Lagimodiere, W., 570, 582, 585.
Laheney, J. F., 283.
Laidlaw, J. B., 76.
Laird, Alex. W., 34, 39, 50, 75.
Lake, Major General, P.H.N., 486.
Lake, R. S., 375, 439, 449, 466, 480.
Laliberte, J. B., 112.
Lalor, F. R., 462.
Lamont, Hon. J. H., 586, 587, 592, 593, 594, 595, 597.
Lamington, Lord, 307.
Lancaster, E. A., 435, 462, 480.
Lanctot, H., 585.
Landers, S. L., 272.
Landry, H. S., 603.
Landry, Hon. P. A., 431, 432.
Landry, Senator, 559.
Lane, K.C., J. A., 558.
Lane, K.C., Campbell, 461.
Langelier, Sir Francois, 84, 555.
Langevin, Archbishop, 475, 564, 586, 587, 589.
Langiloth, Jacob, 217.
Langley, G., 596.
Langlois, Godfroi, 543, 545, 547, 551.
Langlois, T. T., 55.
Langmuir, J. W., 69, 244.
Lanigan, W. B., 483.
Lansdowne, Lord, 333, 382,
Laut, Agnes C., 151, 175,
Lapointe, L. A., 636.
Laporte, H., 40, 462.
Lareau, Roger, 636.
Lariviere, A. A. C., 469.
Larke, J. S., 299.
Larrue, Hon. V. W., 536.
Lash, K.C., Z. A., 39, 75, 147.
Laurier, Lady, 333.
Laurier, Rt. Hon. Sir Wilfrid, 111, 125, 133, 138, 139, 149, 160, 168, 232, 237, 255, 256, 257, 286, 304, 306, 315, 319, 321, 322, 323, 325, 326, 327, 328, 330, 331, 332, 333, 334, 335, 336, 339, 340, 341, 342, 343, 345, 354, 357, 366, 372, 373, 375, 379, 383, 391, 392, 393, 395, 400, 401, 407, 408, 409, 411, 414, 415, 418, 419, 420, 423, 425, 427, 429, 430, 432, 434, 436, 437, 441, 444, 445, 452, 461, 462, 464, 473, 480, 539, 555, 556, 558, 559, 563, 573, 574, 575, 579, 583, 603, 606, 607, 610, 615, 629.
Laurent, A. S., 163.
Lauzon, J. B., 483.
Lavergne, M.P., A., 407, 437, 555, 557, 558.
Law, W. H., 254.
Lawrence F. A., 619.
Lawrence, W. F., 186.
Lawson, Thomas, 18, 68.
Lawther, R. A., 84.
Lazier, Col. S. S., 69.
Leach, P. L., 562.
Leacock, Dr. Stephen B., 374.
Leblanc, Henry S., 616.
Le Blanc, Hon. P. E., 541, 542, 543, 544.
Leclerc, Gilbert, 285.
Lee, Wm., 636.
Lefurgey, A. A., 441, 443.
Legris, Senator, 557.
Lemieux, Mrs., 393.
Lemieux, F. F., 207.
Lemieux, Hon. Rodolphe, 156, 163, 255, 268, 269, 270, 273, 274, 286, 341, 357, 393, 394, 395, 396, 398, 411, 419, 427, 428, 438, 453, 454, 456, 457, 458.
Lemoine, Gaspard, 147.
Lemont, Arthur, 551.
Leonard, R. W., 214.
Lepine, Baron de, 537, 548, 549, 550, 551, 552, 554, 555.
Lessard, Col. F. L., 489.
Levis, William, 258.
Lewis, Dr. F. N., 492.
Lewis, F. Orr, 40.
Lewis, Lansing, 65.
Lewis, T. L., 278.
Lewis, W. A., 492.
Lighthall, K.C., W. D., 379, 538, 636.
Lindala, James, 265.
Lindsey, G. G. S., 55, 153, 278, 279.
Listman, G. P., 386.
Lithgow, J. T., 614.
Lloyd-George, Rt. Hon. D., 310, 321, 326, 328, 335, 343, 344, 350.
Logan, F. M., 481.
Logan, H. J., 159, 160, 437.
Loggie, Lieut.-Col. T. G., 235.
Longley, Mr. Justice, 58, 378.
Longstaff, W., 362.
Loranger, Mr. Justice, 469.
Loreburn, Lord, 361.
Loud, John W., 122.
Lougheed, Hon. James A., 150, 267, 599.
Loughrin, P. J., 267.
Love, John, 476.
Lovitt, Hon. John, 266.
Lovelace, Countess of, 361.
Lovelace, Earl of, 361.
Lovitt, K.C., H. A., 58.
Low, A. P., 148, 202, 427.
Low, M. D., David, 590.
Lowe, Robert, 614, 615.
Lubbock, Sir Neville, 367.
Lucas, Alex, 187, 188.
Lucas, Sir Charles P., 337.
Ludlow, Hon. Edward, 594.
Lugard, Sir Frederick, 307, 361.
Lynch-Staunton, K.C., G. S., 428.
Lyne, Sir W. J., 308, 310, 321, 326, 328, 334, 338, 343, 371.
Lyttelton, Rt. Hon. A., 316, 334, 351.

Macdonald, Alex., 583.
Macdonald, C. de W., 600.
MacDonald, Sir Claude, 393, 394.
Macdonald, Col. D. A., 488.
Macdonald, E. M., 58.
Macdonald, Frank, 63.
Macdonald, Hon. Hugh John, 578, 580.
Macdonald, M.P.P., James, 616.
Macdonald, John, 69.
Macdonald, Sir John, 269.
MacDonald, M.D., J. A., 564.
Macdonald, K.C., J. A., 604, 607, 608, 611, 613, 615.
Macdonald, Rev. J. A., 407.
MacDonald, J. A., 481.
Macdonald,, J. K., 65.
Macdonald, Randolph, 34.
Macdonald, R. G., 69.
Macdonald, Sir W. C., 173.
Macdonell, D.S.O., Lieut.-Col. A. H., 487.
Macdonell, A. Claude, 462.
Macdonell, K.C., G. M., 472.
Macgowan, A. H. B., 611.
MacIlreith, Mayor R. T., 636.
MacKay, Hon. A. G., 495, 499, 509, 510, 512, 514, 525.
MacKay, Dr. A. H., 311.
Mackay, Dr. Eben, 618
MacKay, Sir James Lyle, 322, 326.
Mackay, Senator R., 59.
MacKeen, Senator, 57, 59, 461.
Mackenzie, A. B., 632.
Mackenzie, A. H. B., 34.
Mackenzie, G. F., 40.
Mackenzie, Norman, 592.
Mackenzie, P. S. G., 544.
Mackenzie, W. L., 420.
Mackenzie, William, 23, 50, 82, 140, 144, 145, 315, 516.
Mackintosh, Hon. C. H., 379, 614.
MacLaren, Alex., 231, 388.
Maclaren, Hon. J. J., 124, 406.
Maclean, John, 253, 254.
Maclean, W. F., 86, 87, 124, 375, 406, 432, 435, 436, 437, 443, 459.
MacLeod, M. H., 148.
MacMaster, Donald, 333, 351, 363.
Macphail, A., 207, 378.
Macpherson, R. G., 383, 385, 387, 396, 480.
MacRae, Rev. Dr., 600.
MacTavish, Judge, D. B., 69.
Macaulay, T. B., 65, 72.
Machum, E. R., 64.
Mack, Hon. J. M., 616.
Macnamara, Dr. T. J., 306.
Macrae, A. D., 227.
Madden, Sir John, 312, 373.
Magee, Charles, 53.
Magee, J. S., 635.
Magill, Rev. Dr. Adam, 260.
Malcolm, F. H., 40.
Malet, Louis, 307.
Malkin, W. H., 41.
Maloney, R. S., 283.
Mann, D. D., 140, 141, 143, 388.
Mann, Tom 265.

Manson, Hon. W., 604, 608, 614.
Marcil, M.P.. Charles, 406.
Marconi, William, 169.
Marechal, K.C., L. T., 461, 541.
Markham, Admiral Sir A. H., 361.
Marois, George, 285.
Marois, T., 544.
Marpole, R., 136, 139, 261.
Marquand, W. J., 65.
Marsh, J. L., 628.
Marsh, Colonel J. L., 431.
Marshall, Noel, 79.
Marshall, Rev. Thomas, 627.
Marter, G. F., 527.
Martin, A., 609.
Martin, Alex., 629.
Martin, Joseph, 265.
Martin, Phillippe, 411.
Martineau, K.C., P. G., 542.
Massey, John, 53.
Massie, R. F., 76.
Matheson, Hon. A. J., 492-494.
Matthews, W. D., 57, 519.
Mathewson, F. H., 30, 75, 252.
Mathieson, J. A., 630.
Mathieson, R., 68.
Matson, R. H., 41.
Matson, R. R., 362.
Mauger, S., 308.
Mavor, Prof. James, 22, 60, 61, 62.
Maxwell, E. W. S., 425.
Maxwell, Miss Sarah, 303, 540.
Mayne-Campbell, J. H., 40.
McAra, jr., P., 591, 632-635.
MacArthur, Dr. J. A., 583.
McArthur, T. A.. 207.
McBride, Hon. Richard, 123, 296, 362, 386, 457, 463, 464, 469, 604, 605, 606, 608, 609, 610, 611, 612, 613, 616, 630.
McCaig, James, 604.
McCallum, Sir H. E., 307.
McCarthy, J. O., 63.
McCarthy, M. S., 439, 466, 480.
McClellan, Hon. A. R., 235.
McClintock, Admiral Sir T. L., 315.
McClung, Rev. J. A., 584.
McColl, D. P., 590.
McColl, A. O., 41.
McConnell, R. G., 219, 221.
McConkey, Barclay, 194, 362.
McConkey, T. G., 64.
McConnell, J. P., 384.
McConvey, J. J., 210.
McCormick, K.C., D., 271.
McCraney, G. E., 100, 142, 149, 590.
McCuaig, D. W., 176, 476, 560, 577.
McCullough, C. R., 258.
McCully, F. A., 628.
McCurdy, A. W., 356.
McDermid, D. W., 381.
McDonald, Alex., 206.
McDonald, Chas. 257.
McDonald, Thomas, 502.
McDougal, D. J., 498.
McElroy, R. H., 491.
McEwing, James, 191, 192, 471.
McFadden, Hon. D. H., 560, 578.
McFarlane, John, 231.
McGibbon, D. Lorne, 257.
McGill, J. J., 366.
McGoun, K.C., Arch., 313.
McGuigan, F. H., 128, 152.
McGuire, G. A., 610.
McGuire, H. F., 207.
McGuire, Hon. T. H., 589, 592.
McHugh, J. G., 476.
McHugh, R. J., 362.
McIlreith, Mayor, R. T., 468.
McInnes, K.C., H., 58.
McInnis, J. K., 590-591.
McInnis, Hon. S. W., 466, 560, 571.
McInnes, W. W. B., 220, 390, 606, 607, 608, 614.
McIntyre, G. H., 480.
McIntyre, L. C., 257.
McIntyre, P. A., 630.
McIntyre, Wilbert, 100, 118, 480.
McKane, John F., 468.
McKay, Angus, 173.
McKay, James. 589, 592.
McKay, J. A., 469.
McKay, J. F., 504.
McKay, K. W., 634.
McKay, Hon. Thomas, 266.
McKay, W. A.. 214.
McKechnie, Robert, 254.
McKenna, J. A J., 151.
McKenna, Rt. Hon. Reginald, 306.
McKenzie, K. W., 632.
McKenzie, Kenneth, 69.
McKenzie, Peter, 551.
McKenzie, M.P.. P. H., 174.
McKeown, C. R., 492.
McKeown, Hon. H. A., 158, 624, 627.
McKim, Kempton, 283, 578.
McKinnon, D. B., 576.
McKinnon, M., 630.
McLachlan, T. B., 361.
McLaren, Alex., 231, 282.
McLaren, Rev. Dr. E. D., 388.
McLaren, Hon. Peter, 266.
McLaren, P. D., 63.
McLaughlin, James, 210.
McLaughlin, Robert, 40.
McLean, Angus, 228.
McLean, Lieut.-Col. H. H., 487.
McLeish, John, 201.
McLennan, R. P., 41, 257, 258.
McLeod, H. F., 431.
McLeod, J. R., 76.
McMahon, Mr. Justice, 260.
McMaster, William. 22. 59.
McMartin, John, 211, 214.
McMillan, A. J., 218.
McMillan, C. E., 623.
McMillan, Sir D. H., 381, 564.
McMillan, J. C.. 504.
McMillan, Rev. J. W., 585.
McMullen, F. E., 64.
McMullen, Senator Jas., 180, 266, 267, 426, 437.
McNab, William, 128.
McNair, W. L., 477.
McNally, J. H., 504.
McNaught, W. K., 254, 274, 520, 525, 529.
McNeil, S. B., 618.
McNeill, A. P., 592.
McNicoll, D., 134.
McNichol, J. W., 481.
McPhillips, K.C., A. E., 608, 613.
McQueen, C. P., 64.
McRobbie, J. H., 158.
McTavish, Judge D. B., 443.
McWhinney, J. M., 51, 53.
Mee, J. E., 285.
Megan, W. K., 184.
Meighen, Robert, 182, 249.
Meikle, W. B., 75.
Mercer, C.M.G., W. H., 313.
Mercier, Hon. Honore, 411, 536, 540, 544.
Meredith, C. R., 125.
Meredith, Hon. R. M., 124.
Merriman, J. X., 309.
Merritt, Lieut.-Col. W. Hamilton, 209.
Mickle, C. J., 565, 569, 578, 580, 583, 585.
Mickle, G. R., 503.
Michener, Mayor E., 634, 636.
Mikel, W. C., 634.
Middleton, W. G., 562.
Millar, John, 477.
Miller, C., 211.
Miller, H. H., 426.
Miller, Prof. W. G., 204.
Miller, W. H. D., 358.
Milliken, A. B., 109.
Millman, Dr. T., 68.
Mills, Commissioner James, 99, 103, 190.
Mills, Sir James, 345.
Miln, W. S., 64.
Milne, John, 517.
Milner, Lord, 312, 320-330, 332, 336.
Minehan, Rev. Father, 266, 471.
Minto, Lady, 414.
Minto, The Earl of, 414.
Mitchell, C. H., 79.
Mitchell, C. R., 600.
Mitchell, John, 278.
Mitchell, J. G., 41.
Mitchell, Major J. H., 487.
Mitchell, Langdon E., 415.
Mitchell, Dr. S. Weir, 406.
Molloy, T. M., 287.
Monk, F. D., 111, 161, 255, 273, 284, 396, 435, 440, 461, 542.
Montague, J. A., 504.
Monteith, Hon. Nelson, 274, 499, 500.
Moor, Hon. F. R., 321, 322, 326.
Moore, Lieut.-Col. F. S., 489.
Moore, J. E., 627.
Moore, Rev. T. Albert, 636.
Moore, W. H., 142, 147.
Moran, J. M., 603.
Morgan, C. S., 44.
Morgan, Rev. J. H., 584.
Morgan, J. P., 34, 228.
Morgan, J. W., 207.
Morikawa, M. Kishiro, 397.
Morin, Victor, 68.
Morine, K.C., A. B., 352.
Morley, F. G., 104.
Morley, Rt. Hon. John, 309, 321.
Morrice, David, 40.
Morris, Sir Daniel, 366, 367.
Morris, Hon. Sir E. P., 364.
Morrisey, T. L., 76.
Morrison, K.C., A. G., 452.
Morrow, G. A., 75.
Morrow, J. W., 41.
Morse, I. Morton, 82.
Morse, F. W., 120, 122, 123.
Morson, W. A. O. 630.
Moss, Sir Charles, 124, 503.

Motherwell, Hon. W. R., 92, 96, 133, 182, 476, 478, 588, 596.
Mowat, K.C., H. M., 426.
Muir, Dr., 311.
Muir, K.C., James, 599.
Mullins, H. A., 483.
Mulloy, W. J., 428.
Mulock, Sir William, 253, 268, 277, 279, 413.
Mulvey, K.C., Thomas, 497.
Munro, A. S., 295.
Munro, Lieut.-Col. James, 38.
Munro, Robert, 254.
Murchie, J. G., 39.
Murphy, J. D., 68.
Murray, Hon. G. H., 255, 257, 452, 616, 617, 619-623.
Murray, James, 173, 180.
Murray, J. A., 529.
Murray, Sir John, 361.
Murray, Dr. Walter. 503.
Myers, Augustus, 75.

Nanton, A. M., 39.
Nathan, Sir Matthew, 307.
Neill, C. E., 39.
Neild, Ernest, 477.
Neill, Rev. John, 359.
Nesbitt, Dr. W. Beattie, 38, 58, 101, 128, 271, 503, 523, 529, 530.
Newburn, Dr. F. H., 604.
Newlands, Hon. H. W., 594.
Newton, Captain, D. O. C., 382.
Nicholls, Fred., 50, 54, 57, 59, 75, 147, 244, 254, 255, 515, 516, 517, 519, 521.
Nicholson, Lieut.-Gen. Sir W. G., 306.
Noble, James J., 225.
Noel, J. C., 600.
Norris, T. C., 585.
Nordheimer, Mrs. S., 379.
Northup, W. B., 462, 609.
Nosse, F., 383, 391-396.

Oak, C. E., 236.
Obalski, J., 104, 199, 551.
O'Brien, Everett A., 617.
O'Brien, James, 616.
Ochs Bros., 364.
O'Connor, J. E., 333, 419, 476, 609.
O'Donoghue, J. G., 128.
O'Donoghue, D. J., 283-285.
O'Gorman, John, 428.
O'Halloran, G. F., 173.
O'Hara, F. C. T., 415.
Oliver, Hon. Frank, 150, 180, 289, 294, 390, 407, 419, 423, 425, 434, 443, 449, 603, 615.
Olivier, Sir Sydney. 307.
O'Mullin, J. C., 434.
Oppe, J. D., 170.
Ormsby, J. Y., 76.
Oronhyatekha, Dr., 67.
Osborne, J. A., 149, 499.
Osborne, J. Kerr, 57, 75.
Osborne, Prof., W. F., 259, 577, 582, 583.
Osman, Hon. Charles J., 624.
Osler, M.P., E. B., 43, 135, 487, 522.
Osler, F. Gordon, 79.
Osler, Mr. Justice, 124.
Ostrom, Marshall, 40.
Otter, Brig.-Gen., Col. W. D., 485.
Ouimet, Hon. J. Aldcric, 40, 542.
Owen, Sir Isambard, 311.
Owens, R. B., 604.
Owens, R. C., 283-287.

Pagnuelo, Hon. S., 411.
Paisley, J. K., 214.
Pardee, M.P., F. F., 432.
Parent, M.P., G. W., 541, 556.
Parent, Hon. S. N., 107, 108, 109, 111, 118.
Parker, Sir Gilbert, 320, 333, 346, 406.
Parks, Prof. W. A., 204.
Parkin, Dr. G. R., 305, 311, 312, 363, 374.
Parmalee, Dr. G. W., 311.
Parney, L. D., 604.
Parsons, Major-Gen., Sir C., 255.
Partridge, E. A., 476, 560, 569, 576.
Paterson, K.C., J. A., 69.
Paterson, T. W., 41, 261.
Paterson, Hon. W., 255, 341, 449.
Patterson, George. 619.
Pattinson, M.P.P., George, 274, 517.
Payne, J. Lambert, 154, 155.
Payzant, J. Y., 51.
Pearce, William, 184, 238.
Pearson, Hon. B. F., 616.
Pearson, F. S., 57, 58, 59.
Pease, Edson L., 27, 39.
Peat, Hugh, 284-287.
Peel, F. J., 492.
Pellatt, Col., Sir H. M., 50, 55, 59, 75, 210, 214, 363, 488, 497, 515, 516, 519, 522.
Pelton, Sandford H., 619.
Pelletier, K.C. L. P., 559.
Prendergast, Hon. J. E. P., 594.
Pendray, W. J., 261.
Pense, E. J. B., 274, 494.
Perks, M.P., R. W., 49, 162, 163, 344, 361.
Perley, G. H., 273.
Perrault, C. O., 411.
Perrault, J. X., 411.
Perry, Alfred, 411.
Perry, Colonel, 133.
Perry, O. B., 216, 221.
Peters, F. W., 97, 296.
Peters, Hon. A., 630.
Peterson, C. W., 184.
Peterson, Principal, 376, 407.
Pettigrew, Charles, 40.
Pettypiece, R. P., 265, 287, 385.
Phares, H. E., 570.
Phillips, K.C., A. E., 401, 608.
Phillips, Henry, 120.
Phillipps-Wolley, Clive, 347.
Phippen, Mr. Justice, 476.
Pichon, M., 408.
Pinchot, Gabriel, 233.
Pipes, Hon. William T., 616, 622, 623.
Playfair, J. S., 79.
Plummer, J. H., 50, 56, 58, 59.
Poindrom, Anatole, 408.
Poissant, Joseph, 536.
Pollock, Sir Frederick, 320.
Pope His Holiness, The, 541.
Pope, C.M.G., Joseph, 382, 393.
Pope, R. H., 461.
Portch, A. G., 65.
Porter, E. Guss, 436.
Porter, S. P., 589.
Pottinger, D. 137.
Potts, Rev. Dr., 526.
Powell, A. W., 362.
Power, K.C., Augustus, 615.
Power, Hon. L. G., 137, 150, 444.
Power, William, 236.
Pratt, H. J., 69.
Prendergast, Mr. Justice, 590.
Prendergast, M. J. A., 41.
Preston, J. J., 528.
Preston, T. H., 274, 511, 512.
Preston, W. A., 491, 498, 499.
Preston, W. T. R., 384, 428, 392, 394.
Prevost, Hon. J. B. B., 468, 535, 537, 546, 547, 549, 550, 551, 557, 558.
Price, A., 139.
Price, F., 127.
Price, H. M., 111, 231, 236, 237.
Price, William, 39.
Primrose, Sir H. W., 307.
Prince, Prof. Edward E., 225.
Pringle, Rev. Dr. John, 615.
Prince, P. A., 481.
Pringle, M.P., R. A., 31, 436.
Louise, H.R.H. Princess, 305.
Pritchett, J. G., 428.
Pugsley, Hon. William, 159, 236, 423, 431, 432, 445, 452, 466, 467, 623, 624, 625, 626, 627, 630.
Pullen, John, 86, 87.
Pyne, Hon. Dr. R. A., 274, 529, 530, 531, 532, 533.

Quick, Gordon W., 481.
Quincy, Hon. Josiah. 406

Race, T. H., 373.
Ramsbottom, Dr., 309.
Rand, C. D., 26.
Rason, Hon. C. H., 311.
Read, E. T., 162.
Ready, J. A., 76.
Reaume, Hon. Dr. J. O., 499.
Reddick, Dr. R., 204.
Redington, J. C., 406.
Redwood, W., 362.
Reed, Stanley, 315.
Reeve, Dr. R. A., 314.
Reeves, Hon. W. P., 320.
Reford, Robert, 160.
Reid, Rt. Hon. G. H. 308, 320.
Reid, G. M., 428.
Reid, J. A., 595.
Reid, M.P., J. D., 463.
Reid, J. R., 64.
Reid, Robert, 118.
Reid, R. S., 614.
Ricardo, W. C., 184.
Richardson, R. L., 483, 571, 578.
Richardson, W., 570.
Rucker, Sir Arthur, 311.
Ridd, R., 570.
Riddell, Mr. Justice, 113, 114.
Riggs, Mrs. George, 415.
Rimmer, Reginald, 594.
Rinder, Frank, 361.
Riordan, Carl, 231, 232.

Rioux, Emile, 558.
Rissick, C., 308.
Ritchie, K.C., C. H., 497.
Ritchie, K.C., J. J., 58.
Ritchie, J. T., 231.
Ritchie, Hon. R. J., 628.
Ritchie, K.C., W. B. A., 58.
Rithét, R. P., 91.
Rivers-Wilson, Sir C., 122, 126.
Roadhouse, Robert, 267, 282.
Robb, George C., 79.
Roberts, H. E., 79.
Robertson, A. J., 603.
Robertson, Rev. Dr., 444.
Robertson, Lord, 354.
Robertson, J. Ross, 379.
Robertson, J. W., 173.
Robertson, P. L., 76.
Robertson, Robert, 173.
Robertson, W. Flett, 185, 215.
Robinette, K.C., T. C., 424.
Robinson, Hon. C. W., 236, 624, 626.
Robinson, Thomas, 476.
Robinson, T. D., 102.
Robitaille, L., 436, 547, 555, 557, 558.
Roblin, Hon. R. P., 102, 256, 376, 457, 466, 477, 559, 560, 561, 562, 565, 572, 573, 575, 576, 577, 583, 584.
Robson, J. W., 476, 570.
Roche, Dr., 449.
Roche, W. J., 434, 438, 480.
Rochester, D. B., 210.
Rockefeller, J. D., 24, 228.
Rogers, Elias, 59.
Rogers, H. S., 314.
Rogers, Hon R., 31, 69, 182, 466, 560, 561, 570, 573, 574, 577.
Rogers, Lieut.-Col. S. M., 214.
Rolland, Hon. J. D., 231, 254, 257.
Rollo, General Sir Robert, 314.
Rollo, W. R., 286.
Roosevelt, President, 94, 229, 405, 406, 407.
Root, Elihu, 398, 399, 400-403, 414.
Rosamond, Bennett, 254.
Rose, H. J., 312.
Rosebery, The Earl of, 414.
Ross, Sir Charles, 485.
Ross, Duncan C., 396, 429, 491, 514, 532.
Ross, D. H., 372.
Ross, Hon. G. W., 255, 266, 299, 407, 426, 432, 437, 491, 512.
Ross, Hugo, 412.
Ross, James, 50, 55, 57, 58.
Ross, Dr. J. F. W., 69.
Ross, Hon. J. H., 266, 586.
Ross, J. T., 147.
Ross, P. D., 210.
Ross, W. B., 58.
Ross, W. G., 58, 59, 82.
Ross, W. R., 608, 613.
Rothschild, Hon. N. C., 122.
Rouleau, E. H., 604.
Rowell, K.C., N. W., 512.
Rowley, W. H., 230.
Roy, Hon L. R., 84, 543, 547.
Roy, Rev. Paul Eugene, 541.
Roy, Hon. P. H., 536, 543.
Ruan, J., 408.
Ruddick, Dr. R. C., 624.
Ruggles, H. P., 406.
Runciman, Rt. Hon. Walter, 306, 343.
Russell, Gen. Lord Alexander, 314.
Russell, David, 423.
Russell, Mr. Justice, 347.
Russell, T. A., 255.
Rutherford, Hon. A. C., 311, 590, 597, 601, 602, 603.
Ryan, Percy C., 535.
Rykert & Co., E. G., 24, 25.

Saint Denis, Baron Juchereau De, 411.
St. John, Hon. J. W., 491, 506, 510.
St. Laurent, J. B., 285.
Samuel, A. M., 385.
Sandbrook, J. A., 361.
Sandeman, David, 362.
Sanderson, S., 619.
Sargent, E. B., 379.
Saucier, J. E., 551.
Saunders, E. A., 634.
Saunders, Dr. W., 55, 173, 174, 181.
Savage, J. M., 570.
Sevigny, Albert, 536-541.
Sawyer, Prof. E. A., 617.
Sawyer, Dr. Everett W., 188.
Saxe-Cobourg-Gotha, Duke of, 358.
Scadding, Bishop, 406.
Scallion, J. W., 481, 564.
Schaffner, F. L., 449, 480, 564.
Scholfield, G. P., 69.
Schofield, H. B., 366.
Schofield, H. W., 231.
Scholefield, E. O. S., 614.
Schultz, Sir John, 564.
Schultz, Lady, 404, 564.
Schuster, Sir Felix, 320.
Schwitzer, J. E., 139.
Scott, D'Arcy, 125, 357, 380.
Scott, Hon. D. L., 599.
Scott, J. G., 147.
Scott, Lieut.-Col. J. H., 473.
Scott, Hon. R. W., 161, 488, 536, 612.
Scott, Hon. Walter, 574, 576, 586, 587, 588, 592, 635.
Scott, W. D., 290, 391, 501, 617.
Seaborn, W. E., 41.
Sears, Mayor Edward, 433, 634.
Seddon, Rt. Hon. R. J., 330.
See, Sir John, 314.
Seeley, Alfred, 54.
Seitz, J. J., 69.
Selborne, Earl of, 309.
Sellar, Robert, 474.
Senecal, Hon. L. A., 411.
Senkler, E. C., 615.
Sexton, Frederick H., 618.
Sharpe, T. A., 173.
Sharples, Hon. John, 39, 107, 111, 541.
Shaughnessy, Sir Thomas G., 40, 90, 129, 133, 134, 135, 136, 137, 138, 139, 165, 166, 182, 361, 381, 342, 362.
Shaw, Hon. Leslie M., 404, 561.
Shehyn, Hon. Joseph, 266.
Shepley, K.C., G. F., 74, 101, 117, 442, 443.
Sherman, F. H., 278, 279.
Sherman, F. L., 39.
Shorey, S. O., 366.
Short, K.C., James, 600, 604.
Short, K.C., Wm., 600.
Shortt, Prof. A., 128, 348.
Schreiber, Collingwood, 110, 111, 121.
Sicotte, Judge, 469.
Sifton, Hon. Clifford, 196, 305, 342, 343, 344, 432, 567, 599, 603.
Simard, A. P., 551.
Simpson, G. H., 64.
Simpson, H. P., 570.
Simpson, J. D., 287.
Simpson, James, 265, 283, 286.
Simpson, Joseph, 254.
Simpson, M.D., R. M., 564.
Sinclair, M.P., J. H., 222, 273.
Size, C. F., 562, 563.
Skinner, A. O., 158, 627.
Skinner, Hon. C. N., 236.
Sloan, William, 396, 480.
Smartt, Hon. Dr. Thomas W., 321, 324, 325, 326, 332, 334, 335.
Smellie, Dr. T. S. T., 498, 499.
Smithers, Alfred W., 120, 122.
Smith, Alex., 428.
Smith, Hon. Bruce, 314.
Smith, Cecil B., 89, 525.
Smith, C. J., 79.
Smith, C. N., 489, 507, 509, 512.
Smith, E. D., 375.
Smith, Dr. Goldwin, 260, 306, 506.
Smith, G. P., 544, 545.
Smith, Geo. T., 207.
Smith, H. W., 361.
Smith, J. W., 92, 588.
Smith, J. Obed, 262, 290.
Smith-Dorrien, Lieut.-Gen. Sir H. L., 306, 307.
Smoot, Senator Reed, 406.
Smith, Ralph, 273, 274, 389, 396, 614.
Smuts, J. C., 308.
Smythe, W. R., 499.
Snow, A. J. Russell, 503.
Snowball, Hon. J. B., 231, 235, 236, 237, 623, 634.
Snyder, L. P., 34.
Solomon, Sir Richard, 308, 314.
Somerset, Duke of, 312.
Somerville, Rev. Dr., 296.
Southam, W., 210.
Southworth, Thomas, 237. 501.
Spence, B. H., 525.
Spence, F. S., 525.

Spencer, C. W., 148.
Spencer, John, 560.
Spencer, Ph.D., J. W. W., 243, 244.
Sproule, Dr. T. S., 420, 449, 473, 474.
Stanley, W. E., 210.
Staples, W. D., 449.
Starkey, F. J., 632.
Starmer, Charles W., 362.
Starr, Rev. J. E., 472.
Starr, J. R. L., 529.
Staunton, K.C., G. Lynch, 534.
Stead, W. T., 360.
Steban, F. B., 63.
Steele, R. C., 157.
Steele, Colonel S. B., 487.
Stephens, M.P.P., G. W., 156, 157, 256, 540.
Stevenson, C. E., 69.
Stevenson, Elliott G., 66, 67.
Stewart, D. M., 34, 35, 36.
Stewart, E., 174, 235.
Stewart, G. A., 491.
Stewart, J. D., 593.
Stewart, J. E., 624.
Stewart, J. F. M., 255.
Still, Andrew, 362.
Stikeman, H., 41.
Stinson, C., 561.
Stirling, T. W., 184.
Stockett, Lewis, 196, 603.
Storey, W. H., 254.
Story, D. A., 117.
Strachey, Sir E., 354.
Stradbroke, The Earl of, 363.
Strathcona, Lord, 41, 57, 78, 135, 274, 304, 305, 333, 342, 343, 344, 362, 374, 376, 399, 413, 487.
Strathy, H. S., 39, 40.
Strathy, Stuart, 39, 40.
Stratton, Hon. J. R., 52.
Straus, Hon. Oscar S., 406.
Stuart, Hon. C. A., 599, 600.
Stuart, W., 481.
Studholme, Allan, 274, 283, 506, 533.
Sturdee, Captain F. C., 314.
Sullivan, Hon. M., 150, 437.
Sumichrast, Prof. F. C. de., 406, 453. , ,
Sutherland, Donald, 506.
Sutherland, Duke of, 333.
Sutherland, Hon. R. F., 155. 406, 432.
Sutherland, Sir T., 343.
Sutherland, W. C., 593.
Sweeney, Hon. F. J., 624, 628.
Swettenham, Sir Alex., 368, 369.
Symon, Senator Sir J. H., 338.
Szlapka, P. L., 111.

Tache, J. C., 411.
Taft, Hon. W. H., 406.
Taillon, Hon. L. O., 542.
Tait, John, 138.
Talbot, A. E., 438.
Talbot, Mr., Magistrate, 282.
Talbot, Senator, 423, 603.
Tanner, C. E., 617, 619, 620, 621, 622, 623.
Tanguay, M.P.P., G., 147.
Tarte, Hon. J. Israel, 255.
Tarte, L. J., 231.
Taschereau, Chief Justice, H. T., 376, 542.
Taschereau, Sir Elzear, 354.
Taschereau, Hon. L. A., 536, 540, 544, 547, 550, 552, 556.
Tate, F., 373.
Taylor, A. D., 614.
Taylor, E. L., 69.
Taylor, George, 449.
Taylor, H. C., 559, 600.
Taylor, J. G., 139.
Taylor, J. W., 575.
Taylor, L. D., 390.
Taylor, Plunkett, 409.
Taylor, T. N., 574.
Tatlow, Hon. R. G., 291, 604, 611.
Tellier, M.P.P., J. M., 542, 544.
Templeman, Hon. W., 170, 202, 422, 427, 434, 612.
Templetown Lord, 38, 40.
Tempieton, R. P., 76.
Tennyson, Lord, 311, 320.
Tessier, Hon. A., 535, 545, 546, 547.
Tessier, Jules, 147.
Tessier, Judge, 536.
Tibbetts, H. A., 499.
Tisdale, A. A., 122.
Tisdall, C. E., 469.
Thom, Douglas J., 590.
Thomas, Col. W. S., 221.
Thomson, Dugald, 310.
Thomson, E. W., 432, 472.
Thomson, G. H., 39.
Thomson, H. H., 610.
Thomson, P. W., 79.
Thomson, Robert, 79.
Thompson, Hon. F. P., 54.
Thompson, F. W., 181.
Thompson, M.P., Dr., 174, 220, 615.
Thompson, Joseph, 113, 114.
Thompson-Seton, Ernest, 186.
Thorne, W. H., 39, 627.
Thornton, Sir Edward, 162.
Tolmie, R. F., 218.
Tory, Rev. Dr. H. M., 600.
Townshend, Hon. C. J., 434, 619.
Tozer, Sir Horace, 311.
Trant, William, 591.
Travers, W. R., 38.
Trenholme, T. A., 55.
Trowbridge, Sir Thomas, 342, 345, 346.
Tucker, Hon. J. E., 405.
Tudhope, J. B., 274.
Tupper, Sir Charles, 330, 335, 339, 344, 347, 376, 388, 409, 466, 468, 469.
Tupper, Sir Hibbert, 379, 457, 463, 464, 607.
Turgeon, Hon. Adelard, 231, 238, 341, 411, 538, 544, 549, 550, 551, 552, 553, 554, 557, 558, 559.
Turgeon, Hon. W. F. A., 587.
Turnbull, John, 258, 357.
Turner, C. M., 65.
Turner, J. H., 188, 189, 291, 311.
Turner, Sir William, 311.
Turriff, J. G., 100, 449, 480.
Tweedie, Hon. L. J., 233, 235, 623.
Tweedmouth, Lord, 321, 331, 332, 346.
Tycrman, Dr. P. D., 595.

Urquhart, W. J., 205.
Ussher, C. E. E., 139.

Van Custen, R., 362.
Vanhorne, C. N., 41.
Van Horne, Sir W. C., 42, 43, 50, 57, 59, 135, 233, 252, 380, 413.
Vanderhoof, Herbert, 188.
Vanzant, G. ., 502.
Vassiliere, L., 408.
Verney, H. C. W., 361.
Vernon, R. O., 313.
Verville, M.P., Alphonse, 273, 283, 286, 287, 436.
Victoria, H.M. Queen, 303, 312, 358, 414.
Vidal, Col. B. H., 488, 489.
Viets, R. B., 408.
Vilas, W. F., 543.
Vincent, Sir C. E. Howard, 255.
Vincent, Bishop, J. H., 406.
Vipond, A. H., 64.
Vipond, T. A., 370.

Wade, Hon. C. G., 308
Wade, K.C., F. C., 389.
Wade, M.D., G. H., 68.
Wakefield, Adjutant, W. G., 291.
Wales, H.R.H., Prince of, 333, 414.
Wales, H.R.H., Princess of, 312, 414.
Walbrook, H. M. 362.
Wallace, B. W., 102, 632.
Wallace, R. A., 603.
Wallace, William, 69.
Wallaston, Dr. H. N. P., 310, 321.
Walker, Byron E., 17, 18, 21, 27, 32, 34, 39, 43, 44, 182, 183, 208.
Walker, G. L. 217.
Walker, Lieut.-Col. J., 487.
Walker, J. Bruce, 289, 379.
Walrond, H. A., 413.
Walsh, E. J., 155.
Walsh, R. N., 449.
Walsh, Rev. William, 474.
Walsh, K.C., W. L., 599.
Wainwright, Wm., 122, 128.
Wanklyn, F. L., 55.
Ward, J. J., 352, 636.
Ward, Hon. Sir J. G., 310, 321, 322, 324, 325, 327, 328, 332, 334, 335, 342.
Ware, Fabian, 363.
Warman, Cy., 175.
Warnocott, William, 285.
Warren, M. J., 52.
Watson, Harrison, 299.
Watson, Hon. J. C., 308.
Watson, J. G., 548.
Watson, James, 253.
Watson, Hon. Senator, 158.

Watters, J. C., 283.
Watts, G. W., 258.
Weber, M., 307.
Wegenast, George, 69.
Weir, Hon. W. A., 64, 84, 468, 469, 535, 536, 537, 544, 545, 557, 558.
Weldon, A. T., 117.
Wells, A. S., 287.
Wessels, C. H., 309.
Wet, General Christian de, 309.
Wetmore, Hon. E. L., 587, 590.
Wheatcroft, I. H., 84.
White, K.C., A. S., 431.
White, D. G., 599.
White, G. V., 273.
White, Lieut.-Col. John, 487.
White, M.P., J. D., 361.
White, S. H., 54.
White, W. J., 362.
White, W. T., 53, 523.
Whitney, H. M., 59, 405, 406.
Whitney, Hon. J. P., 256, 379-457, 467, 494, 495, 496, 503, 504, 518-521, 523, 526-528, 531-533, 576.
Whyte, Andrew, 588.
Whyte, William, 93, 97, 103, 132, 135, 198, 261, 356.
Wiallard, R. A., 408.
Wickett, S. Morley, 258.
Wilcox, C. S., 620, 621, 623.
Wiley, D., 428.
Wilkie, D. R., 27.
Willison J. S., 64, 424.
Williams, A., 373.
Williams, E., 65.
Williams, General Sir W. F., 411.
Wills, Sir Alfred, 354.
Wilson, Sir Arthur, 354.
Wilson, K.C., C. A., 558.
Wilson, K.C., Charles, 397.
Wilson, F. D., 238.
Wilson, Rev. G. H., 386.
Wilson, J. Reid, 57.
Wilson, Dr. R. J., 528, 529.
Wilson-Smith, R., 51, 501.
Winchester, Judge, 281.
Winnington-Ingram, Bishop A. T., 358.
Winter, N. Roland, 600.
Wise, Hon. B. R., 320.
Wodehouse, Lieut.-Gen. J. H., 307.
Wolverton, Lord. 361.
Wood, C. E. D., 592.
Wood, G. W., 564.
Wood, E. R., 39, 44, 46-50, 58, 75, 122.
Woods, H. W. 68.
Wood, James Leigh, 361.
Woods J. W., 415.
Woodyatt, Thomas, 502.
Woodworth, C. M., 384-386, 464, 469, 613.
Woolford, T. W., 184.
Worman, Consul, J. H., 172, 301.
Worrell, Bishop, 472, 618.
Worsfold, W. Basil, 315.
Worsnop, Captain T. H., 168.
Worthington, Colonel A. N., 485.
Wright, Alfred, 79.
Wright, A. W., 254. 523, 526.
Wurtele, Hon. J. S. C., 411.
Wynne, Major, J. R., 487.

Young, C. A., 118.
Young, D. R., 216.
Young, Hon. H. E., 608, 611.
Young, James, 426.
Younge, R. J., 255.
Young, S. C., 76.
Young, Sir W. Lawrence, 122.
Young, W. A., 389.

Zavitz, Prof. C. A., 192.

INDEX OF AFFAIRS

Acadia College, 618.
Acadia Fire Insurance Co., 79.
Accident and other Insurance, 78, 79.
Accidents, Railway, 112-114.
Agriculture, Canadian, 172-195.
Agriculture, Department of, 172, 173.
Agricultural Colleges, 194, 614, 618.
Agricultural Savings and Loan Co., of London, 54.
Agricultural Societies, Presidents of, 179.
Alberta Coal and Coke Company, 198.
Alberta Railway and Irrigation Co., 280.
Alberta, University of, 597-600.
Alberta Retail Lumber Dealers' Association, 480, 481.
Alberta, Province of—
  Agricultural Policy in, 598, 599.
  Alleged Beef Combine in, 481-483.
  Alleged Lumber Combine in, 479-481.
  Mr. Borden, on Public Lands of, 460, 465, 466.
  Coal Commission, 196, 197.
  Coal Shortage in, 92-94, 132, 133, 143, 152.
  Educational Policy of, 597, 600, 601, 604.
  Judicial Arrangements in, 599, 600.
  Labour Legislation in, 276.
  Liberal Convention in, 423, 603.
  Mining Conditions in, 196-199.
  Municipal Conventions in, 634, 636.
  Public Ownership Ideas in, 597, 598, 601.
Algoma Iron Works, 248.
Algoma Central Railway, 501.
Algoma Steel Company, 118, 246, 248.
"All Red" Steamship Line, 304, 305, 328, 334, 340, 341, 342-345, 415, 452, 453.
Allan Steamship Line, 158, 166, 167, 173.
American Bankers' Association, 18.
American Civic Association, 244.
American Federation of Labour, 207.
American Institute of Instruction, 404, 539.
American Institute of Mining Engineers, 202, 203, 212.
American Iron and Steel Association, 247.
American Smelting and Refining Company, 207.
American Mining Institute, 211.
Anacortes Company Mills, 227.
Ancient Order of United Workmen, The, 68.
Anglo-American Fire Insurance Co., 76, 79.
Angus Car Works, 248, 263.
Annuity Company of Canada, The, 68, 69.
Arrowhead-Gerrard Railway, 632.
Asselin Case (The), against Messrs. Prevost and Turgeon, 548-555, 559.
Associated Boards of Trade, Eastern British Columbia, 632.
Associated Boards of Trade, of Western Canada, 632.
Athabasca Railway Company, 84.
Atikokan Iron Company, 246.
Atlantic and Lake Superior Railway, 83.
Atlantic, Quebec and Western Railway, 83.
Australian Affairs, 307, 308.
Australia, Canadian Relations with, 370-374.
Australia and Empire Defence, 325, 338, 339, 347-349.
Australian Mail Syndicate, 168.
Australasia Steamship Communication with, 168.

Banking during 1907, Canadian, 19, 21, 23, 27-33, 34-44.
Banks, Appointments in, 34, 39, 40.
Banks, Branches of, 27, 36-39.
Banks and the Farmers, 172.
Banks—
  British Columbia, Chartered Bank of, 41.
  British North America, Bank of, 30, 33, 40.
  Canadian Bank of Commercc, 30, 32, 34, 37, 38, 39, 40, 43, 50, 181.
  Crown Bank, 37.
  Dominion Bank, 22, 26, 29, 37, 39, 43.
  Dresdner Bank, 34.
  Eastern Townships Bank, 20, 33, 38, 40.
  Edmonton, Bank of, 41.
  Farmers' Bank of Canadá, 38, 40.
  Halifax, Bank of, 41.
  Hamilton, Bank of, 29, 33, 36.
  d'Hochelaga, la Banque, 36.
  Home Bank of Canada, 33, 37, 38, 39.
  Imperial Bank, 27, 29, 37, 38, 40.
  Merchants' Bank of Canada, 22, 27, 30, 37, 40.
  Merchants Bank of Halifax, 39.
  Metropolitan Bank, 37.
  Molsons Bank, 22, 29, 37, 39.
  Montreal, Bank of, 21, 27, 29, 30, 31, 38, 40, 41, 451, 627.
  Nationale, la Banque, 33, 37, 40.
  New Brunswick, Bank of, 33.
  Northern Bank, 33, 36, 38, 40.
  Northern Bank of Winnipeg, 23, 39.
  Ontario Bank, 443.
  Ottawa, Bank of, 21, 29, 37, 38, 40.
  Paris and London, Bank of, 41.
  Provinciale, la Banque, 34, 37, 40.
  Quebec Bank, 39.
  Royal Bank, 27, 29, 36, 38, 39, 50.
  St. Hyacinthe, la Banque de, 39.
  St. Jean, la Banque de, 37.
  St. Stephen's Bank, 39.
  Sovereign Bank, 32, 34, 35, 36.
  Sterling Bank, 37.
  Toronto, Bank of, 29, 37, 38, 39, 41.
  Traders Bank, 27, 33, 37, 38, 39, 40.
  Union Bank, 26, 27.
  Union Bank of Canada, 37, 39, 42.
  United Empire Bank, 33, 37.
  Union Bank of Halifax, 38, 50.
  Vancouver, Bank of, 41.
  Western Bank of Canada, 33, 38, 40.
Beef Combine, Alleged, 481-483.
Bell Telephone Co., 26, 52, 281, 547, 563, 597, 598, 635.

"Better Terms" in British Columbia, 605, 609, 610, 611.
Black Sod Bay Steamship Project, 341, 342, 345, 346, 364.
Blair-La Presse Incident of 1904, 423, 433, 463, 466, 467,
Board of Harbour Commissioners, 156 157.
Board of Trade—
Berlin, 274.
Brandon, 102.
British Columbia, 632.
Calgary, 277.
Charlottetown, 630.
Davidson, Sask., 85.
Fort Francis, 102.
Frank, 134.
Halifax, 613.
Lethbridge, 290.
Montreal, 75, 97, 252, 261.
Moncton, 630.
Portage la Prairie, 103.
Prince Albert, 102.
Regina, 102, 140, 277.
Roland, Man., 140.
St. Catharines, 146.
St. John, 158, 159.
Strathcona, 597.
Toronto, 104, 157, 277, 504.
Victoria, 90, 261.
West Prince, 629.
Winnipeg, 102, 135, 143.
Boundary Question, Manitoba, 563, 564, 570, 573, 574, 575, 576, 579, 581, 583, 584.
Boxing Championship 631.
British-American Fire Ins. Co., 74, 75.
British Colonial Permanent Loan & Savings Co., 54.
British Columbia, Agriculture and Fruit-farming in, 186-189.
British Columbia Fisheries Commission, 225.
British Columbia (The) G. T. P. and 123.
British Columbia Land Development Co., 136.
British Columbia Marine Railway Company, 166, 287.
British Columbia, Prov. of—
Educational Policy in, 611.
Finances of, 611, 614.
Fisheries of, 222-225.
Fisheries Commission, 224, 225.
General Elections in, 604-608.
Government Changes in, 608.
Immigration and Japanese Question in, 291, 383-398, 612, 613.
Labour Legislation in, 276.
Lumber Interests in, 227, 228.
Mr. McBride and "Better Terms" Policy in, 605, 606, 609, 610, 611, 613.
Mining in, 196, 214-219.
Party Conventions in 422, 423, 469, 613.
British Empire Mutual Life Ins. Co., 63.
British Empire Trust Co., 49.
British Investments 47-50.
British Pacific Railway, 91.
British Trade, 297, 298.
Brock, W. R. & Co., 55.
Bryce, Mr., in Canada, 400-402.
Buffalo-Mines, Ltd., (The) 208.
Bye-elections, Dominion, 432-434.
Bye-elections, Provincial, 616, 617, 624.
Bye-elections in Ontario 491, 492.

Canada Atlantic Railway, 125, 126.
Canada Iron Furnace Co., 246.
Canada Landed & National Investment Co., 53.
Canada Life (The), 43, 63, 64, 65, 69, 70, 72.
Canada Permanent Mortgage Corporation, 51, 53.
Canada Publishing Co., 534, 535.
Canadian Associated Press, 339, 365.
Canadian Bankers' Association, 41.
Canadian Banking Corporation, Ltd., 40.
Canadian Canals and Waterways 153, 154.
Canadian Club, Montreal, 157.
Canadian Club, Boston, 190, 272.
Canadian Club, Calgary, 598.
Canadian Club, London, 161.
Canadian Club, Montreal, 160, 220.
Canadian Copper Co., 203, 207.
Canadian Express Co., 633.
Canadian Fire Underwriters' Association (The), 76.
Canadian Forestry Association, 235, 237.
Canadian General Electric Co., 54, 82.
Canadian Guardian Life Ins. Co., 69.
Canadian Iron & Foundry Co., 247.
Canadian Life Assurance Co., 34.
Canadian Manufacturers' Association, 22, 75, 85, 88, 98, 161, 178, 231, 234, 254, 255, 256, 259, 262, 373, 523.
Canadian Manufacturers' Association, History of, 253-258.
Canadian-Marconi Co., 55.
Canadian Mexican Steamship Co., 168, 412.
Canadian Mining Institute, 508, 509.
Canadian Northern Railway, 23, 47, 49, 81, 83, 84, 88, 89, 90, 91, 92, 93, 98, 100, 120, 133, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 159, 236, 247, 500, 565, 568, 571, 580, 581, 584.
Canadian Nippon Supply Co., 397.
Can. Northern Ontario Railway, 145, 146, 147.
Canadian Northern Quebec Railway, 142.
Canadian Order of Foresters, 68.
Canadian Pacific Railway, 47, 49, 81, 84, 88, 89, 90, 91, 92, 93, 97, 98, 100, 103, 104, 112, 113, 114, 117, 119, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 145, 146, 159, 166, 182, 189, 215, 236, 245, 248, 251, 261, 266, 361, 397, 483, 497, 505, 545, 580, 588, 606, 633.
C. P. R. Empress Line, 158.
Canadian Pacific Steamship Line, 165, 166, 167, 168, 173.
Canadian Pacific Telegraph Co., 137, 138, 169.
Canadian Savings, Loan & Building Association, 51.
Canadian Shipbuilding Co., 251.
Canadian Southern Railway, 47.
Canadian White Company, 121.
Canals and Waterways, Canadian, 153-163.
Cape Breton Coal, Iron & Railway Co., 47.
Car Shortage Railway, 84, 85, 91-98, 100, 102, 104, 116, 124, 133, 135, 140, 141, 143, 144.
Cascade Power Co., 245.
Catholic Mutual Benefit Society, 65-67.
Cattle Embargo, British, 354, 355.
Consumers' Gas Co., of Toronto, 52.
Census, Western, 185.
Central Canada Loan & Savings' Co., 54.
Central Canada Manufacturers' Mutual Fire Ins. Co., 76.
Central & New Brunswick Telephone Co., 54.
Champlain Tercentenary Celebration, 418.
Chicago & Milwaukee Electric Railway, 50.
Chinese Immigrants in Canada, 296, 382.
Church Union Question, 631.
Cigarettes, Abolition of, 437.
Civil Service Reform, 424, 460, 514.
Cleveland-Cobalt Silver Mines, Ltd., 213, 214.
Coal Commission, Alberta, 196, 197.
Coal Mines, Public Ownership of, 598.
Coal Mining Regulations, Dominion, 425, 426.
Coal Shortage Question, Western, 92, 93, 94, 132, 133, 143, 152, 588, 589, 592, 593.

Coates, Son & Company, 501.
Cobalt Companies, 214.
Cobalt Lake Litigation, 210.
Cobalt Litigation, Ontario Government and, 497, 498.
Cobalt, Mining Conditions in, 196, 201, 202, 207-214.
Cobalt Lake Mining Co., 210, 214.
Cobalt-Silver Queen, Ltd., 208, 214.
Cobden Club Members and Medals, 306.
Coke Shortage, British Columbia, 96, 218, 219.
Collingwood Ship-building Co., 250.
Colonial Conference of 1907, 314, 341.
Colonial Investment & Loan Co., 53.
Colonial Office, Re-organization, 336, 337.
Columbia University, 406.
Columbia and Western Railway, 136.
Coniagas Mines, Ltd., The 208.
Commercial Trust Co., of Halifax, 51.
Commercial Union Assurance Co., London, 76.
Conciliation, Boards of (Labour), 277-281.
Confederation Life Insurance Co., 65, 69.
Conferences, Colonial, 315, 316.
Conference of 1907, Colonial, 314-341.
Conference on Education, Federal, 311, 312.
Connecticut Mutual Life Insurance Co., 63.
Conservative Charges of Corruption, 439, 440.
Conservative Convention, Vancouver, 469, 613.
Conservative Leader Tours the Dominion, 457-467.
Conservative Platform and Policy, 459-461, 464, 465, 467.
Conservative Policy in Quebec, 541, 543.
Consumers' Gas Company, 26, 522, 524.
Consolidated Lake Superior Company, 501.
Consolidated Mining and Smelting Co., 196, 216.
Consumption, Lord Grey and, 417.
Convention. B. C., Boards of Trade, 632.
Convention of Insurance Agents, The, 76.
Convention of the Life Underwriters' Association of Canada, 63, 64.
Convention, Maritime Province Boards of Trade, 633, 634.
Conventions of Municipalities, 634-636.
Convention, Western Canada Boards of Trade, 632, 633.
Co-operative Society Work, 272, 273.
Copp, Clark & Company, 534.
Corruption and other Charges, Political, 420. 421, 428-432, 439, 440, 458, 465, 468-475.
Council (See Imperial Council).
Creameries Public Ownership of, 599.
Crown Life Insurance Co., of Toronto, 63, 69.
Crow's Nest Pass Coal Co., 26, 55, 131, 153, 217, 218, 277, 278.
Cumberland Railway & Coal Co., 280.
Cunard Steamship Line Company, 342.

Dalhousie University, Halifax, 617, 618.
Dairymen's Association of Manitoba, 176.
Dartmouth Electric Company, 47.
Defence (See Imperial Defence).
Delaware & Hudson Bay Railway, 83.
Deseronto Iron Company, 246.
Detroit, Grand Haven & Milwaukee Railway, 126.
Detroit United Street Railway, 25.
Diamond Coal Company, 198.
Diplomacy, British, 303, 304. 377, 378, 402.
Dismissals from Office, Ontario, 502, 503.
Dominion Car & Foundry Co., Ltd., 267.
Dominion Coal Co., 55-59, 200, 248, 281.
Dominion Coal & Steel Co., 634.
Dominion Express Company, 633.
Dominion Fire Insurance Co., 76.
Dominion Fisheries Comission, 224, 225.
Dominion Grange, 450.
Dominion Iron & Steel Co., 19, 55-59, 118, 246.
Dominion Power & Transmission Co., 47, 52, 494.
Dominion Rifle Association, 483, 486.
Dominion Securities Co., Ltd., 46, 70.
Dominion Steamship Line, 164-167, 173.
Dominion Steel & Coal Co., Dispute, 55-59.
Donaldson Steamship Line, 173.
Drummond County Railway, 117.
Drummond Mines, Ltd., 208.
Drumond Mining Company, 199.
Dublin Exhibition of 1907, 303.
Duluth & South Shore Railway, 130.

Eastern Trust Co., of Halifax, 51.
Edinburgh Life Insurance Co., 63.
Education Federal Conference on, 311, 312.
Education in Ontario, 530-535.
Education in Quebec, 537, 539, 540, 544, 545.
Education in all the Provinces, 637-639.
Elder-Dempster Co., 167.
Electric Power, 243-245.
Electric Power Legislation, 435.
Electric Power Policy, Ontario, 515-525.
Electric Railways, 81-83, 105-107.
Electrical Development Company, of Ontario, 54, 82, 515-517, 519-521, 523, 524.
Election Law, Manitoba, 573.
Elections in Manitoba, 572-586.
Emmerson (Mr.), Resignation of, 430-432.
Empire Club, 139, 140.
Empire Day Celebrations, 312, 313.
Empire Trust Co., 51.
Empress Steamship Line, 166.
Erie-Cobalt Co., 213, 214.
Esquimault and Nanaimo Railway, 91, 136, 189.
Excelsior Insurance Co., 63, 69.
Exhibition, New Zealand, 373.
Export Duty on Pulp-wood, 230, 231, 232, 233.

Failures, Canadian, 23, 34-36.
Farm Property, Value of, 178.
Farmers' Association of Ontario, 178.
Farrar Transportation Co., 250, 251.
Fielding Banquet at Halifax, 451-453.
Financial Institutions, 51-54.
Financial Statement, Mr. Fielding's, 445, 446, 451.
Financial Stringency of 1907, 17-33, 40, 41-44, 239, 263, 264, 451, 452.
Fire and Inland Marine Insurance Co., 69.
Fire Insurance, 74-79.
Fisheries, Canadian, 221-225.
Fisheries Commissions, 224, 225.
Fishery Monopolies, Dominion, 566.
Flag Questions and Legislation, 376, 379, 404, 532, 565-567, 572, 573, 575, 582, 626.
Florence Mining Company, 210.
Flour Milling, Canadian, 248, 249.
Forest Conditions, Canadian, 225, 238.
Forestry Convention, 235.
Forestry in Canada, 234, 238.
Forget & Co., L. J., 26.
Foster-Cobalt Mining Company, 208, 211.
Fort William Terminal Company, 635.

Fowler Incident in Parliament and the Courts, 429-432, 441-443.
France, Canadian Treaty with, 407-410.
Fraser River Saw Mills, 227.
Fraternal Insurance, 65-68.
Fraternal Societies, 514.
Freight Rates, 101, 102, 104, 177.
French Priests in Canada, 438.
French Language in Parliament, 437.
French Legion of Honour, Canadian Members of, 411.
Furness, Withy Co., Ltd., 167.

Gage & Company, 534.
Galway Horse and Cattle Company, 470.
Geological Survey, Ottawa, 198.
Georgian Bay Canal Project, 123, 155, 160.
Germany, Canadian Relations with, 413.
Gillies' Limit and Ontario Government, 213, 511, 512.
Globe Fire Insurance Co., The, 77.
Gordon, Ironsides and Fares, 483.
Government House, Quebec, Maintenance of, 543, 544.
Government Salaries, Ontario, 506, 507.
Grain Act, Dominion, 97.
Grain Combine Question, The, 475, 477, 560-563.
Grain Dealers' Ass'n, Man., 476.
Grain Exchange, Winnipeg, 155, 176, 478, 576.
Grain Growers' Association of Manitoba, 569, 576, 577.
Grain Growers' Association of Saskatchewan, 177.
Grain Growers' Grain Co., 561, 576.
Grain Trade, Royal Commission on, 176, 477-479.
Grand Trunk Pacific, The, 49, 81, 83, 102, 119-123, 142, 147, 148, 160, 193, 236, 463, 470, 505, 549, 607, 614.
Grand Trunk Railway Company, The, 47, 84, 86, 88-91, 95, 97, 98, 100, 101, 104, 112-114, 117, 119, 122-128, 146, 548.
Grand Trunk Western Railway, 126.
Great Northern Railway, 81, 84, 91, 119, 152, 153.
Great Northern Telegraph, 168, 267.
Great West Life Insurance Co., 64, 65.
Guelph & Ontario Investment & Savings Society, 54.
Guggenheim Mining Interests, 216, 220, 221.

Hague Conference, 511.
Hail Insurance, Manitoba, 564.
Halifax and Eastern Railway, 619.
Halifax and South-Western Railway, 619, 623.
Hamilton Radial Railway Co., 495.
Hamilton Steel & Iron Co., 246.
Hamilton Street Railway Co., 106.
Harvard University, 236, 406.
Hartford Fire Insurance Co., The, 77.
Heaps & Co., E. H., 227.
Highway Crossings and Railways, 89, 103, 105.
Hillcrest Coal and Coke Company, 198.
Hindus, Immigration of, 284-286, 289, 294-296.
Hochelaga, La Banque, 41.
Home Investments and Savings Association, Winnipeg, 534.
Home Life Insurance Co., 69, 70.
Hudson's Bay Co., 54, 84, 184.
Hudson's Bay Railway Project, 148, 149, 151, 152, 160, 500, 591.
Hudson-Cobalt Mining Co., 213.
Huron & Erie Loan & Savings Co., 53, 55.
Hydro-Electric Power, 47.
Hydro-Electric Power Commission, 515-518, 520, 521, 523-525.
Hyman (Mr.) Charges, Against 427-429.

Illinois Traction Co., 51.
Imperial Conference (Permanent) Organized, 323, 336.
Imperial Council, 317-319, 321, 323, 335, 336.
Imperial Defence, 316-319, 321, 324, 325, 329, 330, 338-340, 346-349, 416, 417.
Imperial Guarantee & Accident Co., 79.
Imperial Life Insurance Co., 63, 65.
Imperialism, 374, 375.
Immigrants, Chinese, 296.
Immigrants, English, 288, 291-294.
Immigration, Canadian, 288-296.
Immigration, Mr. Kipling and, 356-358.
Immigration, Labour and, 284-287.
Immigration, Ontario Government and, 501.
Independence, Canadian, 378.
Independent Order of Foresters, 65-67, 70.
India, Sedition in, 309, 310.
Indian Emigration to Canada, 284-286, 294-296.
Industries, Canadian, 238-253.
Industry, Labour and Canadian, 258-287.
Insurance, 62-79.
Insurance Commission in Parliament, 429-432, 441-443.
Insurance Commission, Royal, 69-74.
Insurance Institute of Toronto, 65.
Insurance Co. Litigation, Ottawa, 497.
"Intellectual Preference," Mr. Lemieux on, 453.
Intercolonial Railway, 112, 114-117, 142, 272, 634.
International Coal & Coke Co., 198, 277.
International Co-operative Alliance, 273.
International Portland Cement Co., 251, 252.
International Railway, 624, 625, 633.
Inter-Provincial Conference, 505, 542, 605, 609, 610, 619.
Interstate Commerce Commission, 94, 101.
Investments Abroad, Canadian, 50-51.
Investments, British, 47-50.
Investments, Industrial, 238, 239, 240, 241, 243, 253.
Immigration, C. P. R. & Western, 135.
Irrigation Conference, 183, 184.
Irrigation, Western, 183, 184.
Italy, Canadian Relations with, 413.

Jamaica Earthquake, Canada, and the, 367-370.
Japan, British and Canadian Treaty with, 382, 389, 390, 391-396, 398.
Japanese in British Columbia, 382-398, 612, 613.
Japanese, Immigration of, 284-286, 289, 382-384, 392, 395-397, 464.
Japanese Question, The, 363.
Japanese Royal Visit, 380-382.
Japanese Riots, Anti-, 384-389, 391, 396, 397.
Joint Stock Companies, Ontario, 509, 510.
Journalists in Canada, British, 361-363.
Judicial Committee & Appeal Question, 316, 317, 327, 351, 354.
Judicial Committee of the Imperial Privy Council, 25, 26, 107, 351, 352, 382.
Judicial Organization, Western, 593, 594, 599, 600, 626.

Kerr-Lake Co., 208, 211.
King Edward Sanitarium, 417.
Kipling in Canada, Mr., 355, 358.
Kootenay Central Railway, 632.
Kootenay Light & Power Co. 245.

Labour in Canada, Asiatic, 383-398, 423, 612, 613.
Labour, Boards of Arbitration, 127, 128.

Labour Conditions and Ontario Government, 501.
Labour Legislation, Canadian, 268-276.
Labour Organizations, Canadian, 282-287.
Labour, Price of, 263, 264.
Labour Questions, Canadian, 258-287, 383-398.
Labour, Scarcity of, 118, 121, 123, 261, 262.
Labour Unionism in Canada, 259, 260, 269, 272, 276.
Labour, United States Influence on, 209, 210, 266-268, 277-279, 281, 282, 384, 385, 389-398.
La Caisse, Populaire de Levis, 273.
La Chambre de Commerce, Montreal, 75.
Lafontaine Club, 609.
Lake of the Woods Milling Co., 52, 182, 249.
Lake Superior Corporation, 248.
Landed Banking & Loan Co., of Hamilton, 53.
Larder Lake Mining Conditions, 204-206.
La Rose Mining Co., 208, 211, 214.
Laurier Government during the year, 418-474.
Laurentide Paper Co., 252.
Laval University, 547.
Legion of Honour, French, 411.
Legislation in 1907, Dominion, 434-445.
Lemieux Act, 268-276,277-281, 284, 415.
Lemieux Mission to Japan, 392-398.
Le Roi Mining Co., 218.
Liberal Convention, Vancouver, 422, 423, 613.
Liberal Convention, Calgary, 423, 603.
Liberal Policy in Manitoba, 580-586.
Life Insurance, 62-65, 66-74.
Life Insurance Officers' Association, 65.
Life Underwriters' Association of Alberta, 65.
Life Underwriters' Association of Northern Ontario, 65.
Life Underwriters' Association of Saskatchewan, 65.
Liquor License Questions, 568, 577, 581, 582, 584, 585, 603, 627.
Liquor Licenses in Ontario, 514.
Living, Cost of, 59-62.
Liverpool Fire Insurance Co., The, 77.
Lloyds Bank, Ltd., 49.
Loan & Trust Companies, 42, 45, 51-54.
Loans in United States, Bank, 29-32.
London Assurance Co., 63.
London & Canadian Loan Co., 55.
London & Canadian Loan & Agency Co., 53.
London Fire Insurance Co., The, 63, 77.
London & Lancashire Life Insurance Co., 63, 77.
Londonderry Iron Co., 246.
Lord's Day Act, 88, 127, 421, 546, 547, 597.
Lord's Day Alliance, 88.
Lumber Combine (The) Alleged, 479-481.
Lumber Interests, Canadian, 225-238.

Macdonald College of Agriculture, 193.
Macdonald Consolidated School, Kingston, 626.
Manitoba Agricultural College, 102, 565, 573.
Manitoba Boundary Question, 506.
Manitoba Grain Growers' Association, 85, 176, 476-478.
Manitoba Life Insurance Co., 69.
Manitoba, Province of—
Alleged Beef Combine in, 484.
Alleged Grain Combine in, 475-477, 560-562, 576, 577.
Boundary Question in, 563, 564, 570, 573-576, 579, 581, 583, 584.
Educational Policy of 566, 567, 575, 576, 581, 582, 585, 586.
Finances of, 567-569, 575, 580.
Flag Legislation in, 565-567, 572, 573.
General Elections in, 572-586.
Government Changes in, 560.
Labour Legislation in, 275, 276, 571.
Legislation in, 564-571.
Liquor License Policy in, 568, 577, 581, 582, 584, 585.
Opposition Policy in, 581, 582.
Railway Policy of, 566, 570, 571, 580, 581, 584.
Telephone Policy of, 559, 560, 562, 563, 570, 571, 578.
Manitoba, University of, 583-589, 631.
Manufacturers' Life Insurance Co., 64, 65, 69, 70.
Maple Leaf Flour Mills, 249.
Marathon Road-race Victory, 631.
Marconi Wireless Telegraph Company, Limited, of London, Eng., 170.
Marconi Telegraph System, 168-171.
Maritime Board of Trade Convention, 114.
Maritime Provincial Boards of Trade, 633, 634.
Massey-Harris Co., 248.
Metallic Roofing Company, 260.
Methodist Church in the Manitoba Elections, 584, 585.
Metric System Question, 316.
Metropolitan Life Insurance Co., 63.
Mexico, Canadian Trade with, 411-413.
Mexican Light and Power Co., 25, 50.
Monarch Bank of Canada, 40, 41.
Montreal-Canada Fire Insurance Co., 76, 77.
Montreal City and District Savings Bank, 40.
Montreal Gas Company, 548.
Montreal Harbour Question, 156, 157.
Montreal Insurance Institute, 65.
Montreal Iron-Rolling Mills Co., 247.
Montreal Light, Heat and Power Co., 47, 52, 538, 547, 548.
Montreal and Park Island Railway, 55, 82.
Montreal and the Quebec Legislature, 547, 548.
Montreal Reduction and Smelting Company, 207.
Montreal River Mining Discoveries, 213.
Montreal, Rolling Mills, 22.
Montreal, Stock Exchange, 24-26.
Montreal Street Railway Co., 25, 47, 52, 82, 245.
Montreal Trust and Deposit Co., 51.
Mormons in Canada, 296.
Mond-Nickel Company, 203.
Mount Allison College, 471, 618.
Municipal Control of Streets, 513.
Municipal Ownership, 45, 46, 516.
Municipal Securities, 45-47.
Municipalities and Railways, 81, 101.
Municipalities, Unions of, 634-636.
Music and Drama, Lord Grey and, 415.
Mutual Life Assurance Co., of Canada, 63, 65, 69.
McClary Manufacturing Co., 248.
McGill University, 483, 547, 600, 603.
McLaren Company, 231.
Michigan Central Railway, The, 84, 112, 114.
Michigan University, 406.
Middleton and Victoria Beach Railway, 619.
Militia Affairs, Canadian, 483-490.
Militia Department, 421, 422.
Militia Expenditures, 484.

Military Organizations, Canadian, 487.
Milk, Prices of, 192.
Mining Conditions and Production, 196-221.
Mining Policy, Ontario, 504, 505, 507-509, 511.
Minneapolis and St. Paul Railway, 130.
Miramichi Lumber Co., 236.
Miramichi Paper and Pulp Co., 231.

National Association of Life Underwriters, U.S., 64.
National Association of Marine Engineers, 282.
National Civic Federation, 272.
National Fraternal Congress, 66.
National Peace Congress, 271.
National Trades and Labour Congress, 282-284.
National Trades and Labour Council, 267.
National Transcontinental Railway, 83, 84, 111, 117, 118, 122, 151, 199, 236, 272, 501, 505.
National Trusts Co., 53, 58.
New Brunswick Coal and Railway Co., 275, 626, 627.
New Brunswick Forestry Association, 236.
New Brunswick, Province of
Agriculture in, 194, 195.
Fisheries in, 222-225.
Finances of, 626, 627.
Forestry in, 235, 236.
Government Changes in, 623, 624.
Immigration into, 290.
Labour Legislation in, 275.
Lumber and Pulp-wood Interests in, 226, 228.
Mining in, 199.
Municipal Convention in, 634, 635.
Railway Policy of, 624, 625.
Temperance Questions in, 627.
New Brunswick Rifle Association, 625.
New Bruuswick Telephone Company, 626.
New Brunswick, University of, 235, 625.
Newfoundland Affairs, 328, 329, 364, 365.
New York Central Railway, 126.
New York Commission on Life Insurance, 73, 74.
New Zealand, Dominion of, 373.
Niagara Falls, Recession of, 244.
Niagara Navigation Co., 47.
Niagara Power Co., 511.
Niagara Power, Industries and, 243, 244.
Niagara Power Question, 515-525.
Nioola Coal and Coke Company, 217.
Nipissing Mines Company, 208, 211, 212, 214.
North American Cobalt Refining Co., 208.
North American Life Insurance Co., 64.
North Atlantic Trading Company, 440, 444, 470, 575.
North Ontario Reduction & Refining Co., 208.
North-West Grain Dealers' Association, 182, 477.
North-West Telephone Company, 577.
Northern Colonization Railway, 131.
Northern Ontario, Provincial Government and, 498-501.
Northern Pacific Railway, The, 91, 94, 119.
N. S. Steel and Coal Co., 54, 246, 248.
Nova Scotia Fire Insurance Co., 76.
Nova Scotia Life Underwriters' Association, 65.
Nova Scotia Mining Society, 618.
Nova Scotia, Province of—
Agriculture in, 194, 195, 617, 618.
Fisheries in, 222-225.
Finances of, 623.
Government Changes and Elections in, 616.
Immigration Policy in, 290, 617, 621.
Lahour Legislation in, 275.
Mining in, 199, 200.
Municipal Conventions in, 636.
Opposition Policy in, 619, 620.
Prohibition Discussions, 617, 619, 621, 622.
Technical Education, Policy in, 618, 620, 621.

Oddfellows Relief Association, 68.
Ogilvie Flour Mills Co., 52, 249.
Ogilvie Milling Company, 181.
Old-Age Pensions, 284, 285, 307, 422, 426, 437, 612.
Ontario Agriculture, 189-193.
Ontario Agricultural College, 190.
Ontario Bee-Keepers' Association, 179.
Ontario Farmers' Association, 471.
Ontario Fire Insurance Agents' Association, 76.
Ontario Horticultural Association, 179.
Ontario Municipal Ass'n, 634.
Ontario Power Company, 516-518, 520, 523, 524.
Ontario, Province of, 183.
Boundary Policy of, 506.
Bye-elections in, 491, 492.
Cohalt Mining Litigation and 497, 498.
Controversy with, Dominion of, 494-497.
Educational Policy of, 530-535.
Financial Affairs of, 492, 493.
Fisheries in, 222-225.
General Policy of, 501, 503, 506, 507, 509, 510.
Georgian Bay Fisheries Commission, 225.
Lahour Legislation in, 274, 275.
Legislation of, 492-498, 505-512.
Liheral Leadership and Policy in, 512-515, 524, 525.
Liquor License Policy in, 514, 525-530.
Lumher and Pulp-wood Interests in, 226, 228, 230-232.
Mining Conditions in, 196, 201-214.
Mining Policy of, 504, 505, 507-509, 511.
Niagara Power, Policy of, 515-525.
Northern Ontario, Policy of, 498-501.
Ontario Reform Association, 426.
Ontario Railway Board, 494.
Ontario Railway and Municipal Board, 105-107.
Orange Association, Canadian, 473.
Orangeville Case and Ontario Government, 502.
Orange Order in Canada, 473, 474.
Orange Order, Opinions and Officers of, 473, 484.
Oriental Immigration, (See Japanese, Hindus, etc.).
Orford Copper Co., 207.
Ottawa Fire Insurance Co., 76, 137.
Ottawa, G. T. R. and, 125.
Ottawa Life Ins. Co., 69.
Ottawa & Hull Power Co., 525.
Ottawa Street Railway, 82.
Oxford Mountain Railway, 83.

Pacific Cahle Report, 313.
Peace River Country, 174, 175, 185, 186.
Pelican & British Empire Life Office, 63, 76.
Pellatt & Pellatt, 26.
Pennsylvania Railway, 126.
Pensions, Railway, 128.
Petawawa Camp Property, Dominion Government and, 496, 497.
Petewawa Land Question, 483, 484.
Phoenix Bridge Co. of Pennsylvania, 108, 109, 111.
Phoenix Fire Assurance Co., Ltd., 76.
Phoenix Mutual Life Ins. Co. of Hartford, 63.
Policyholders Mutual Life Ins. Co., 69.

Portland Cement Industry, 204, 242, 252.
Porto Rico Railway Co., 47.
Postal Changes, Mr. Lemieux's 453-457.
Power Question, Industries and, 243-245.
Preferential Tariff and Ports, 159, 160.
Preferential Trade and Tariffs, 316, 317, 325-327, 331, 332, 334, 335, 349-351, 366, 367, 371-373, 376, 377.
Prices, High, 43,59-62.
Prince Albert, (Sask.) Election Case, 595.
Prince Edward Island, Province of—
Agriculture in, 144, 145.
Finances of, 630, 631.
Fisheries in, 222-225.
Tunnel Project, 628-630.
Winter Communication Conditions in, 628, 629.
Prince Edward Island Railway, 117.
Prince of Wales College, 636.
Prison Labour, Ontario, 511, 513.
Prohibition Question, (The), 617, 621, 622.
Protective Association of Canada (Masonic), 69.
Provincial Controversies with the Dominion, 495-498,
Provincial Workmen's Association, 281, 282, 285.
Public Lands, Mr. Borden on, 460, 465, 466.
Public Ownership, 422, 445, 460, 461, 465, 467, 518, 519, 523, 559, 560, 562, 563, 578, 581, 582, 589-591, 596-599, 601.
Puebla Tramway, Light & Power Co., 47.
Pulpwood, Canadian, 228-233.

Quebec, Agriculture in, 193, 194.
Quebec Bridge Accident, 107-112.
Quebec Bridge Company, 107, 109, 110, 111.
Quebec Fire Insurance Co., 79.
Quebec & Lake St. John Railway, 84, 147.
Quebec, Province of—
Bourassa Enters Politics of, 555-559.
Changes in Government of, 535, 536.
Conservative Policy in, 541-543, 558, 559.
Education in, 537, 539, 540, 544, 545.
Finances of, 545, 546.
Fisheries in, 222-225.
Labour Legislation in, 275.
Legislation in, 542-548.
Liquor License Policy in, 540, 547.
Lumber and Pulpwood Interests in, 226, 228-232.
Mining in, 198, 199.
Policy of the Gouin Government in, 536, 537-539, 542-547.
Turgeon and Prevost Charges, 537, 538, 548-559.
Quebec Terminal and Railway Co., 108.
Quebec Railway, Light & Power Co., 137.
Queen Victoria Niagara Falls Park Commission, 244.

Railways, Canadian, 81-152.
Railway Commissioners, Board of, 87, 88, 90, 91, 94, 98, 100, 101, 105, 113, 124, 126, 140, 142.
Railway Construction in 1907, 117-122, 127-131, 142-144, 146-149.
Railway & Municipal Board Act, 107.
Railway Tariffs, 85, 86.
Railway Taxation Proposals, 500.
Rates, Railway, 86, 87, 100-103.
Rates, Two-cent Railway, 86-87, 101, 124.
Rochester-German Fire Insurance Co. (The), 77.
Root, Mr., in Canada, 398-400.
Ross Rifle Controversy (The), 485-486.
Royal Canadian Academy, 485.
Royal Commission on Insurance, 69-74.
Royal Grain Commission, 176.
Royal Horticultural Society, London, 614.
Royal Military College, 483.
Royal North-West Mounted Police, 133.
Royal Society of Canada, 173.
Royal Trust Co., 52.
Royal-Victoria Life Ins. Co. of Montreal, 63, 69.
Real Estate Loan Co., of Canada, 53.
Reciprocal Demurrage, 85, 95, 103, 177, 570.
Reciprocity with the States, 400-405.
Redcliffe Lumber Co., 227.
Reford Co., Robert, 164-167.
Reliance Coal Co., 198.
Retail Dealers' Association, 192.
Retail Merchants' Association, 523.
Rhodes Curry Co., 116.
Richelieu & Ontario Navigation Co., 47, 167, 251, 252.
Right of Way Mining Co., Ltd., 208, 214.
Rio Janiero Traction Co., 25, 47, 51.
Salaries, Increased Government, 623.
Salmon, Catch of, 223, 224.
Saskatchewan Grain Growers' Association, 476, 588.
Saskatchewan, Province of—
Mr. Borden on Public Lands of, 460, 465, 466.
Coal Shortage in, 588, 589, 592, 593.
Educational Policy in, 589, 590, 591, 594, 595.
Finances of, 595, 596.
Government Policy in, 586-588, 593-596.
Government Telephones in, 589, 596.
Judicial Arrangements in, 593, 594.
Legislation in, 592-596.
Manitoba's Boundary and, 573, 574, 583, 584.
Municipal Convention in, 635
Opposition Policy in, 590, 591.
Prince Albert Election Case, 595.
Saskatchewan, University of, 594.
Senate, Constitution of, 426.
Separate Schools, Mr. Borden on, 462.
Separate School Question, Manitoba, 475, 575, 576, 585, 586.
Separate Schools, Saskatchewan and, 587, 589, 590.
Shawinigan Water & Power Co., 47, 245.
Ship-building, Canadian, 250, 251.
Shipping, Canadian, 164, 165.
Shipping Federation, Montreal, 156.
Shipping Regulations, Imperial, 310, 311.
Smelting Industries, Canadian, 203, 207, 208, 246-248.
Socialism in Canada, 265, 266, 286, 607, 608, 611.
Sons of England, The, 68.
South African Affairs, 308, 309.
Sovereign Life Assurance Co., Toronto, 76.
Spanish River Lumber Co., 228.
Standard Loan Co., of Toronto, 51.
Standard Oil, 18, 228.
Standard Stock Exchange of Toronto, 508.
Steamship Lines, Canadian, 165, 168, 173.
Strikes in 1907, Canadian, 276, 282.
Sun Life Co., of Montreal, 51.
Supreme Court, Alberta, 599.
Supreme Court of Canada, 124, 137, 211.
Supreme Court, New Brunswick, 626.
Supreme Court of Nova Scotia, 56.
Supreme Court, Saskatchewan, 558, 593, 594.
Swamp Lands in Manitoba, 565, 566, 568.
Tariff Changes, Mr. Fielding's, 446-450.
Tariff Protection, 178.
Technical College of Nova Scotia, 617, 618.
Telegraph Lines, Canadian, 168.

Telephones, Government Ownership of, 559, 560, 562, 563, 570, 571, 578, 589, 596-598, 625.
Telephones, Public Ownership of, 177.
Telephone Rates, 101.
Temiskaming & Northern Ontario Railway Co., 117, 151, 236, 492, 493, 500, 502, 503, 505.
Territory, New Canadian, 631.
Text-book Commission of Ontario, 533.
Text-books, Free, 513, 533-535.
Textile Industries, 250.
Thompson Steamship Line, 173.
Toledo Street Railway Co., 25.
Toronto Electric Light Co., 26, 54, 55, 516, 519, 521, 522, 523, 525.
Toronto, Electric Power, and, 521-523.
Toronto General Trusts Corporation, The, 52, 53.
Toronto Harbour Question, 157, 158.
Toronto and the Judicial Committee, 351, 353.
Toronto Liquor License Conditions, 528-530.
Toronto and Niagara Power Co., 516.
Toronto Street Railway, 25, 75, 82, 90, 105-107, 264, 516.
Toronto, University of, 60, 109, 491, 494, 608, 631.
Toronto University, Ontario Policy toward, 532, 533.
Toronto & York Radial Railway, 82.
Trade, Canadian, 297-302, 366, 377.
Traders' Fire Insurance Co., Toronto, 76.
Transportation Affairs, 80-168.
Trades and Labour Congress, 265, 271, 282, 283.
Transportation Commission, Royal, 160.
Transportation Exploration Company, 605.
Trent Canal System, 155, 156.
Tretheway Silver-Cobalt Company, 212-214.
Trusts & Guarantee Co., Ltd., 52.
Tunnel Project to P. E. I., 629, 630.
Union Life Insurance Co., 63.
Union Pacific Railway, 119.
Union Steamship Company, 136, 168.
Union Trust Company, 53, 70, 471.
United Mine Workers of America, 277-279.
United States National Association of Manufacturers, 258.
United States, Relations with, 398-407.
University of Toronto, 608.
Upper Canada College, Toronto, 417.
Vancouver Island Development, 136, 189, 215-216.
Vancouver Riots, 384-389, 391.
Vancouver, Victoria & Eastern Railway, 91.
Vancouver, Western & Yukon Railway, 91.
Vickers, Son & Maxim, 342.
Victoria University, 406, 471, 487.
Visitors to Canada, British and other, 358-361, 373.
Visitors to United States, Canadian, 406, 407.
Wages, Higher, 263, 264.
Walkerton & Lucknow Railway, 131.
Warships on the Lakes, 400, 403.
Washington Bureau of Statistics, 175.
Weather in 1907, 91-96, 132, 133, 140, 141, 145, 146, 175, 178, 180, 181, 194.
Wellington Colliery Co., 217, 218, 397.
Wesley College, Winnipeg, 577-585.
West Indies & Canadian Relations with, 365-370.
West Kootenay Power and Light Co., 47.
Western Agriculture, 179-189.
Western Associated Press & C.P.R., 137-189.
Western Assurance Company, 74.
Western Boards of Trade Convention, 632, 633.
Western Canada College, Edmonton, 600.
Western Coal Operators' Association, 277, 278.
Western Conditions, 41-44.
Western Federation of Miners, 209, 210, 265, 267, 281.
Western Ontario Niagara Power Union, 520.
Western Retail Lumbermen's Association, 480.
Western Union Telegraph Co., 169.
Wheat Crop of 1907, 180-183, 192, 193.
Wheat Production, 174, 175, 185, 192, 193.
Winnipeg, Bank of, 41.
Winnipeg Street Railway Co., 25, 82.
Yale University, 406.
Yonge Street Bridge Crossing, Toronto, 90.
Young Men's Conservative Association, 616.
Yukon Territory of—
Government Changes in, 614, 615.
Mining Conditions in, 219-221.
Moral Conditions in, 615.

THE CANADIAN NORTHERN RAILWAY AND ITS PLACE IN NATIONAL DEVELOPMENT

The following extracts from an address on "Transportation in the West," delivered before the Empire Club of Canada at Toronto, on November 28th, 1907, by Mr. D. B. Hanna, 3rd Vice-President, Canadian Northern Railway, are given by permission as they admirably indicate the growth of the Canadian Northern Railway System and its place in the national development:

The great expansion in immigration in 1902-1903 was in a most remarkable degree coincident with the extension of the Railway with which I am associated. The Canadian Northern claims no special credit for the phenomenal increase in immigration, but it cannot dispute the fact that the rapid development of the enterprise opened up a wide and fertile territory and made it possible for the accumulating tide of new settlers to locate on free or cheap lands near to markets and general supplies.

Although it is not my function to laud the particular enterprise to which I devote my working hours, it is perhaps not unfitting that some note should be taken of what has actually been accomplished to meet such a situation as is embodied in the immigration and census figures. Besides enjoying the privilege of being the first officer of the Company in the immediate charge of all its operations from the first day a wheel was turned, I am able to speak from a personal knowledge of what has been done.

I shall refer exclusively to the lines west of Lake Superior.

Ten years ago, or in 1897, we operated 100 miles of railway through a then unsettled country. Traffic was light and the train service limited. Our equipment consisted of three engines and some eighty cars all told, a working staff of less than twenty men altogether; and a pay-roll for the year under seventeen thousand dollars.

The gross revenue for the first year was under sixty thousand dollars, but it was more than sufficient to pay our debts. During that year we handled 25,700 tons of freight and carried 10,343 passengers—nothing particularly impressive in these figures. To-day, or ten years afterwards, we are operating, now that the last rails have been laid on the Brandon-Regina Line, 3,345 miles. We have an equipment of 237 locomotives; 219 passenger cars, including 35 sleeping and dining cars; and about 8,500 freight cars of all kinds. These figures, of course, do not include the large number of locomotives and cars ordered and now in course of construction by the builders.

The twenty men of 1897 became 10,700 in 1907, with a pay-roll of over five million dollars per annum. And these figures do not include the large construction forces which at times run into thousands of men.

The gross earnings are now on a basis of over ten million dollars per annum; the freight handled for the past fiscal year was 1,822,220 tons, and we carried 703,988 passengers. We are accepting freight and passengers for 411 different points west of Port Arthur.

If I were dealing with Eastern as well as Western Lines, I could say that the Canadian Northern has become the second largest railway in Canada. Only a chastened humility prevents me enlarging upon the fact that, with 2,990 miles in the West actually in operation, 150 in Ontario, 531 in Quebec and 431 in Nova Scotia, we have in all 4,059 miles in Canada; whereas the Grand Trunk has in the Dominion 3,829 miles. I will leave the comparison at that.

To me, however, the most fascinating result of the past ten years of Western development is that the Canadian Northern System is responsible for the creation of over 150 townsites, in which at least 70,000 persons (exclusive of Winnipeg and other large centres) have found homes tributary to that railway.

I think it is reasonable to estimate that at least one-third of the growth of Winnipeg in this century is directly due to the business opened up by the Canadian Northern.

Let me repeat, we claim no special credit for that. But even railroad men are not devoid of the instincts of citizenship and may be allowed to reflect without boasting that they have inaugurated communities wherein the institutions of a free, strong and intelligent people may mature.

The railways which connect Winnipeg with populous Eastern Canada are Western Lines, inasmuch as without them the West could not be served. They bind the East to the West and the West to the East as nothing else could. They are the abiding symbol of Canadian nationality, and, as they increase in number, they make the nationality the more abiding also.

Geography has been liberal to us. It has also placed a leviathan responsibility upon our shoulders. The lakes are the friend of the West in summer, but steel is its defence against the rigours of winter. The railways are more vital to the national prosperity than water; for rails can do without the help of navigation, but navigation, of itself, would be impotent against the forces that tend to an identity of interest between the Western United States and the Western Provinces.

It is not necessary to argue that the present-day prosperity of Eastern Canada is the fruit of transportation in the West. It is conceded, on the one hand, that the rural population of Ontario has declined. On the other hand, the manufacturing population of Ontario has enlarged out of all proportion to the increase of Ontario's demand for Ontario-made goods, while the Winnipeg warehouses of Eastern manufacturers tell an eloquent story of the origin of modern Canadian growth and pay tribute in the fullest sense to the wisdom of the rail connections with the East.

In the wise settlement of transportation problems lies the premier aid to strengthening the ties that hold a loosely-compacted, world-spreading body politic together. While statesmen have discussed closer union by half a dozen means, the railways of Canada have opened up new country which, within a decade, has offered homes and new prospects to four hundred thousand British-born people, whose experiences have doubly enriched the Empire through its reflex action upon the friends they left behind.

GRAND TRUNK RAILWAY SYSTEM

Canada's Double Track Railway

is the main artery of travel between the East and West

The Grand Trunk Railway System reaches through its own and connecting lines, the large centres of both Canada and the United States, and it is the only line reaching all the tourist resorts in the "Highlands of Ontario."

Features Worth Noting

Only Double Track Railway in Canada, reaching all important centres.

The Longest Double Track Railway in the World under one management.

The Dining Car Service on the Grand Trunk has a continental reputation for its excellence.

SMOOTH ROAD BED
COURTEOUS EMPLOYEES
FIRST CLASS EQUIPMENT

It is the picturesque route with something worth seeing on every division of the System.

Write for "Trains 3 and 4" descriptive of the route from Chicago to the Sea, to J. D. McDonald, D.P.A., Toronto; or J. Quinlan, D.P.A., Montreal.

W. E. DAVIS
Pass. Traffic Mgr.
Montreal

G. T. BELL
Gen. Pass. and Ticket Agt.
Montreal

SEVENTH YEAR OF PUBLICATION

ONE SHILLING NET **PUBLISHED MONTHLY**

THE EMPIRE REVIEW

FOUNDED AND EDITED BY

Sir C. Kinloch-Cooke

RECENT events show how essential it is that all persons irrespective of domicile, should possess an accurate and an up-to-date knowledge of the great questions—political, social and commercial—that concern the progress and welfare of the British Empire. This knowledge THE EMPIRE REVIEW supplies, and in a manner not attempted by any other periodical.

THE REVIEW can be obtained through any news agent or bookseller in Canada, or will be sent to annual subscribers direct from the publishers to any part of Canada *post free* for twelve months on receipt of post-office order for $3.00.

SOME ARTICLES AND CONTRIBUTORS

[1901—1908.]

The British Empire. By His Grace The Duke of Devonshire, K.G.

Queen Victoria's Reign in the Colonies (1837-1901).

Canada. By The Right Hon. Lord Strathcona and Mount Royal, G.C.M.G. (High Commissioner for the Dominion of Canada), and The Hon. Sir Charles Tupper, G.C.M.G. (formerly Premier of the Dominion).

Australia. By The late Hon. Henry Copeland (Agent-General for New South Wales), The Hon. Sir Horace Tozer, K.C.M.G. (Agent-General for Queensland), and The Hon. Sir John Cockburn, K.C.M.G. (formerly Agent-General for South Australia).

New Zealand. By The Hon. W. P. Reeves (High Commissioner for New Zealand).

Cape Colony. By The Hon. Sir David Tennant, K.C.M.G. (late Agent-General for Cape Colony).

The Church and the Empire. By Bishop Welldon, D.D. (late Metropolitan of India and Ceylon).

Imperial Reserves. By The Right Hon. Sir Charles Dilke, Bart., M.P.

The Settlement in South Africa. By The Right Hon. The Earl of Plymouth.

Stepping Stones to Closer Union. By The Right Hon. Lord Strathcona and Mount Royal, G.C.M.G. (High Commissioner for the Dominion of Canada).

How We Relieved Kumassi: The Black Soldier. By Brigadier-General Sir James Willcocks, K.C.M.G., D.S.O. (Commanding the Expedition, and now Commanding Bombay District, India).

Royal Visits to Canada. By the late Sir John G. Bourinot, K.C.M.G., LL.D. (Chief Clerk of the Dominion House of Commons).

The Army of India: Its Place in Imperial Defence. By Major-General Sir Edwin Collen, G.C.I.E., C.B. (late Military Member of the Council of the Governor-General of India).

The Unity of the British Empire: Its Helps and Hindrances. By the late Hon. David Mills, K.C., Judge of the Supreme Court of Canada).

The British Navy. By The Right Hon. Lord Brassey, K.C.B.

Postal Cable Development. By Sir Sandford Fleming, K.C.M.G.

The Colonial Office from Within. By Sir John Bramston, G.C.M.G. (late Assistant Under-Secretary of State for the Colonies).

The Commonwealth of Australia.

Powers of States. By His Grace the Duke of Argyll, K.T., G.C.M.G.

Attitude of New Zealand. By The Hon. W. P. Reeves (Agent-General for New Zealand).

Native Problems in South Africa. By the Rev. John S. Moffat, C.M.G. (formerly Native Commissioner in Matabeleland, Bechuanaland, Basutoland, and the Transvaal).

Life in Canada Under the Old Regime. By Sir Gilbert Parker, M.P.

Work of the Tariff Commission. By W. A. S. Hewins (Sec. of the Commission).

Alaska-Yukon Boundary Dispute: Its Practical Side. By F. C. Wade, K.C., M.P.

Student Life at Canadian Universities. By John Macnaughton, M.A. (Professor of Greek, Queen's University, Canada).

LONDON: MACMILLAN & CO. LIMITED

Canadian Pacific

Crosses Two Oceans
and
Reaches Four Continents

Over 11,000 miles of Railway and over 60 Steamers

A chain of Sixteen Magnificent Hotels across Canada. A Telegraph System to all points in Canada, with Cable Connections to all parts of the world. Builds and operates its Sleeping Cars—higher, wider and larger berths than any others. The Grandest Mountain Scenery of the World and the Granary of the Empire are on the Canadian Pacific Lines.

Atlantic Ocean

		Miles
Montreal to Liverpool,	Service to and from St. John, N.B. November to May	2,833
Montreal to Bristol,		2,950
Montreal to London,		3,300

North America

	Miles
Atlantic to Pacific, across Canada,	3,385
—AND TO—	
New England and Western United States	

Pacific Ocean

	Miles
Vancouver to Japan and China,	6,271
Vancouver to Skagway,	867
Vancouver to Victoria,	84
Vancouver to Seattle,	85

— ALSO —

Minneapolis, St. Paul & Sault Ste. Marie Railway, 1829 Miles. Duluth, South Shore & Atlantic Railway, 565 Miles. Great Lakes S.S. Lines, 550 Miles. Kootenay Lakes S.S. Lines, 404 Miles. 12,008 Miles Liverpool, England to Hong Kong, China, by Canadian Pacific.

ON OCEAN, RIVER, LAKE AND RAIL, MORE THAN HALF AROUND THE WORLD

For further information apply to any C.P.R. Agent, or write

ROBERT KERR,
Passenger Traffic Manager,
MONTREAL

Date Due

APR 1 8			
JAN 13 1968		SEP 16 1996	
NOV 29 1991		AUG 26 1998	
NOV 21 1991			
OCT 17 1992			
OCT 06 1992			
JAN 15 1998			
JAN 13 1998			
MAY 15 1998			

PRINTED IN U. S. A. CAT. NO. 23233

TRENT UNIVERSITY
0 1164 0096560 8

F5003 .C35 1907

The Canadian annual review of public affairs

7395

DATE | ISSUED TO

007395